

TRINIDAD CEMENT LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2024

(Expressed in Trinidad and Tobago dollars)

TRINIDAD CEMENT LIMITED
Consolidated Financial Statements

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Statement of Management's Responsibilities
Trinidad Cement Limited

Management is responsible for the following:

- Preparing and fairly presenting the accompanying consolidated financial statements of Trinidad Cement Limited ("the Company") and its subsidiaries (collectively, "the Group") which comprise the consolidated statement of financial position as at December 31, 2024, the consolidated income statement, consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information;
- Ensuring that the Group keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the Group's assets, detection/prevention of fraud and the achievement of the Group's operational efficiencies;
- Ensuring that the system of internal control operated effectively during the reporting period;
- Producing reliable financial reporting that complies with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

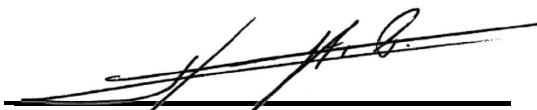
In preparing these consolidated financial statements, management utilised the International Financial Reporting Standards, as issued by the International Accounting Standards Board and adopted by the Institute of Chartered Accountants of Trinidad and Tobago. Where International Financial Reporting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the Group will not remain a going concern for the next twelve months from the reporting date, or up to the date the accompanying consolidated financial statements have been authorised for issue, if later.

Management affirms that it has carried out its responsibilities as outlined above.



Francisco Aguilera Mendoza
Managing Director
March 28, 2025



Humberto Domingo Gutierrez Prado
Group Finance Manager
March 28, 2025



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Independent Auditors' Report
To the Shareholders of Trinidad Cement Limited

Report on the Audit of the Financial Statements Opinion
Opinion

We have audited the consolidated financial statements of Trinidad Cement Limited and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at December 31, 2024, and the statements of consolidated income statement, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2024, and of its consolidated financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants, including International Independence Standards (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Republic of Trinidad and Tobago, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Independent Auditors' Report
To the Shareholders of Trinidad Cement Limited (continued)

Report on the Audit of the Financial Statements Opinion (continued)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of employee benefits obligation

Key audit matter	How our audit addressed the key audit matter
Refer to Notes 2.3 (ii), 2.12 (ii) and 18. The Group operates defined benefit pension plans and post-retirement medical benefit schemes. Significant assumptions are used in estimating the Group's obligation for these employee benefits. The estimation process poses a significant risk of misstatement, as small variances in the assumptions can have a material financial impact on the Group's financial statements. The key assumption involved in calculating the obligation is the discount rate. The Group appointed an external actuarial expert to guide the determination of the assumptions and compute the obligation. This area requires special audit consideration because of the likelihood and potential magnitude of misstatements arising in the valuation of defined benefit obligations estimate.	Our audit procedures over the valuation of the employee benefits obligation included, but were not limited to: • The testing of the design and implementation of the Group's controls applicable to the basis of arriving at the estimate of the retirement benefit obligation. • Assessing the reasonableness of the data used in the estimate by selecting a sample of the underlying data and agreeing the items back to the underlying source records. Engaging our own actuarial specialists to independently evaluate the method and assumptions used to develop the estimate of the post-employment benefit obligation which included but were not limited to the following: • Determining that the actuarial valuation was performed using the projected unit credit method in accordance with the relevant accounting standard. • Evaluating the method and assumptions used to develop the estimate which included but were not limited to the discount rate, salary increases, pension in creases, medical premium inflation and claim costs.



Trinidad Cement Limited Audit Report 2024

Independent Auditors' Report
To the Shareholders of Trinidad Cement Limited (continued)

Report on the Audit of the Financial Statements Opinion (continued)

Key Audit Matters (continued)

Key audit matter	How our audit addressed the key audit matter
	- Evaluating the analysis of the movements in the retirement benefit obligation during the year, including consideration of whether the movements were in line with our expectations based on our knowledge of the Group and the industry in which it operates' - Determining whether the Group's accounting policy and disclosures were in accordance with the relevant accounting standards. No material exceptions were noted as part of our testing.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Group's 2024 Annual Report but does not include the consolidated financial statements and our auditors' report thereon. The Group's 2024 annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Group's 2024 annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



**Independent Auditors' Report
To the Shareholders of Trinidad Cement Limited (continued)**

Report on the Audit of the Financial Statements Opinion (continued)

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Independent Auditors' Report

To the Shareholders of Trinidad Cement Limited (continued)

Report on the Audit of the Financial Statements Opinion (continued)

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



Trinidad Cement Limited Audit Report 2024

**Independent Auditors' Report
To the Shareholders of Trinidad Cement Limited (continued)**

Report on the Audit of the Financial Statements Opinion (continued)

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Dushyant Sookram.

A handwritten signature in blue ink that reads 'KPMG'.

Chartered Accountants

Port of Spain
Trinidad and Tobago
March 28, 2025

TRINIDAD CEMENT LIMITED
Consolidated Income Statement
(Thousands of Trinidad and Tobago dollars, except earnings per share)

	Notes	Year Ended December 31,	
		2024	2023
Revenue	3	\$ 2,214,771	2,229,602
Cost of sales		(1,477,641)	(1,512,591)
Gross profit		\$ 737,130	717,011
Administrative expenses		(148,754)	(162,630)
Selling expenses		(24,372)	(20,882)
Distribution and logistics expenses		(130,902)	(149,148)
Operating earnings before other expenses and other income and credits		433,102	384,351
Other expenses	6.1	(171,333)	(104,365)
Other income and credits	6.2	43,125	15,221
Operating earnings		\$ 304,894	295,207
Financial expense	7.1	(54,207)	(54,773)
Financial income	7.2	17,852	6,785
Earnings before taxation		\$ 268,539	247,219
Taxation charge	19.1	(52,122)	(77,026)
NET INCOME		\$ 216,417	170,193
Attributable to:			
Controlling interest		\$ 149,914	107,095
Non-controlling interest	20.5	66,503	63,098
		\$ 216,417	170,193
 Basic and diluted earnings per share from continuing operations	 21	 0.4032	 0.2880

The accompanying notes are an integral part of these consolidated financial statements..

TRINIDAD CEMENT LIMITED
Consolidated Statement of Comprehensive Income
(Thousands of Trinidad and Tobago dollars)

	Notes	Year ended December 31,	
		2024	2023
NET INCOME		216,417	170,193
Items that will not be reclassified subsequently to the income statement			
Change in fair value of equity investments at fair value through other comprehensive income		—	(1)
Net actuarial gains from remeasurements of employee benefit plans	18	23,923	17,055
Taxation recognised directly in other comprehensive income	19.2	(7,309)	(4,577)
	20.4	<u>16,614</u>	<u>12,477</u>
Items that are or may be reclassified subsequently to the income statement			
Effects from derivative financial instruments designated as cash flow hedges	20.4	5,621	(4,155)
Currency translation results of foreign subsidiaries	20.4	(9,427)	(22,162)
		<u>(3,806)</u>	<u>(26,317)</u>
Total items of other comprehensive income (loss), net	20.4	12,808	(13,840)
TOTAL COMPREHENSIVE INCOME		229,225	156,353
Non-controlling interest		63,824	58,877
Controlling interest		165,401	97,476
TOTAL COMPREHENSIVE INCOME		229,225	156,353

The accompanying notes are an integral part of these consolidated financial statements.

TRINIDAD CEMENT LIMITED
Consolidated Statement of Financial Position
(Thousands of Trinidad and Tobago dollars)

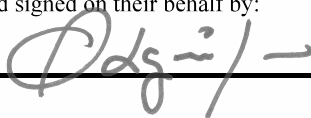
		Year ended December 31,	
	Notes	2024	2023
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	\$ 472,527	236,172
Trade accounts receivable, net	9	43,552	54,119
Other accounts receivable	10	60,076	63,875
Taxation recoverable		2,291	16,442
Inventories, net	11	337,794	378,468
Total current assets		\$ 916,240	749,076
NON-CURRENT ASSETS			
Property, machinery and equipment, net	13	1,707,645	1,556,352
Deferred taxation assets	19.2	146,288	94,175
Employee benefits	18	26,771	25,103
Total non-current assets		1,880,704	1,675,630
TOTAL ASSETS		\$ 2,796,944	2,424,706
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Short-term debt	14.1	155,000	145,450
Other financial obligations	14.2	10,268	8,334
Trade payables	15	439,350	287,050
Taxation payable		7,010	22,046
Provisions	16	27,001	31,692
Other current liabilities	17	283,411	255,820
Total current liabilities		\$ 922,040	750,392
NON-CURRENT LIABILITIES			
Long-term debt	14.1	259,474	268,586
Other financial obligations	14.2	18,426	19,638
Employee benefits	18	164,464	169,741
Deferred taxation liabilities	19.2	244,627	210,108
Provisions	16	4,666	3,693
Total non-current liabilities		691,657	671,766
TOTAL LIABILITIES		\$ 1,613,697	1,422,158
SHAREHOLDERS' EQUITY			
Controlling interest:			
Stated capital	20.1	827,732	827,732
Unallocated ESOP shares	20.2	(20,019)	(20,019)
Other equity reserves	20.3	(337,114)	(334,318)
Retained earnings		464,667	326,442
Total controlling interest		935,266	799,837
Non-controlling interest	20.5	247,981	202,711
TOTAL SHAREHOLDERS' EQUITY		1,183,247	1,002,548
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 2,796,944	2,424,706

The accompanying notes are an integral part of these consolidated financial statements.

These financial statements were approved by the Board of Directors on March 28, 2025 and signed on their behalf by:



Director



Director

TRINIDAD CEMENT LIMITED
Consolidated Statement of Cash Flows
(Thousands of Trinidad and Tobago dollars)

		Year ended December 31,	
	Notes	2024	2023
OPERATING ACTIVITIES			
Net income		216,417	170,193
Non-cash items:			
Depreciation of property, machinery and equipment.....	13	136,163	129,973
Financial expense, net.....		36,355	47,988
Pension plan and other post-retirement benefit.....	18	18,699	17,012
Loss from the disposal of assets and others, net.....	6.1	497	1,890
Impairment losses and write-off of property, machinery and equipment.....	13	63,903	19,409
Inventory write-off.....		27,924	—
Net decreases in estimates and reversals of unused amounts.....	16	(4,260)	—
Taxation charge.....	19.1	52,122	77,026
Changes in working capital, excluding taxation (see below).....		173,258	(1,684)
Cash generated from operating activities before financial expense, taxation and post-employment benefits paid		721,078	461,807
Financial expense paid.....		(15,369)	(20,987)
Financial Income received.....		17,852	6,785
Taxation paid.....		(61,201)	(87,776)
Pension plan contributions and other post-retirement benefit paid.....		(13,190)	(12,738)
Net cash flows from operating activities from operations		649,170	347,091
INVESTING ACTIVITIES			
Purchase of property, machinery and equipment.....		(341,183)	(126,391)
Proceeds from disposal of assets.....		3	—
Net cash flows used in investing activities		(341,180)	(126,391)
FINANCING ACTIVITIES			
Proceeds from debt.....	14.3	108,414	94,606
Repayment of debt.....	14.3	(121,475)	(127,561)
Other financial obligations.....	14.3	(8,673)	(9,074)
Dividends paid.....	20.6	(48,526)	(18,333)
Acquisition of non-controlling interests.....	20.5	—	(10,565)
Net cash flows used in financing activities		(70,260)	(70,927)
Increase in cash and cash equivalents from operations		237,730	149,773
Cash conversion effect, net.....		(1,375)	(605)
Cash and cash equivalents at beginning of year		236,172	87,004
Cash and cash equivalents at end of year		472,527	236,172
Changes in working capital, excluding taxation:			
Trade accounts receivable, net.....		10,415	(5,176)
Other accounts receivable.....		(7,865)	15,310
Inventories, net.....		3,157	33,724
Trade payables.....		153,153	11,673
Other current and non-current liabilities.....		14,398	(57,215)
Changes in working capital, excluding taxation		173,258	(1,684)

The accompanying notes are an integral part of these consolidated financial statements.

TRINIDAD CEMENT LIMITED
Consolidated Statement of Changes in Shareholders' Equity
(Thousands of Trinidad and Tobago dollars)

	Note	Stated capital	Reserves		Retained earnings	Total controlling interest	Non-controlling interest	Total shareholders' equity
			Unallocated ESOP shares	Other equity reserves				
Balance as of December 31, 2022	\$	827,732	(20,019)	(313,888)	205,444	699,269	175,824	875,093
Net income for the year		—	—	—	107,095	107,095	63,098	170,193
Total items of other comprehensive loss, net		—	—	(20,430)	10,811	(9,619)	(4,221)	(13,840)
Dividends		—	—	—	—	—	(18,333)	(18,333)
Acquisition of non-controlling interest without change of control		—	—	—	3,092	3,092	(13,657)	(10,565)
Balance as of December 31, 2023	\$	827,732	\$ (20,019)	(334,318)	326,442	799,837	202,711	1,002,548
Net income for the year		—	—	—	149,914	149,914	66,503	216,417
Total items of other comprehensive income, net		—	—	(2,796)	18,283	15,487	(2,679)	12,808
Dividends		—	—	—	(29,972)	(29,972)	(18,554)	(48,526)
Balance as of December 31, 2024	\$	827,732	\$ (20,019)	(337,114)	464,667	935,266	247,981	1,183,247

The accompanying notes are an integral part of these consolidated financial statements

TRINIDAD CEMENT LIMITED
Notes to the Consolidated Financial Statements
As of December 31, 2024
(Thousands of Trinidad and Tobago dollars)

(1) DESCRIPTION OF BUSINESS

Trinidad Cement Limited (the “Company” or the “Parent Company”) is resident and incorporated in the Republic of Trinidad and Tobago and is engaged in the manufacture and sale of cement, concrete and aggregates. The Company is a limited liability company with its registered office located at Southern Main Road, Claxton Bay and is the parent company of various subsidiary companies operating in Trinidad and Tobago and the wider Caribbean region. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the “Group”).

The ordinary shares of the Company are publicly traded on the Trinidad and Tobago Stock Exchange (“TTSE”) and the ordinary shares of Caribbean Cement Company Limited (“CCCL”) are publicly traded on the Jamaica Stock Exchange. The Company is a subsidiary of Sierra Trading. As a result, the Group’s ultimate parent company is CEMEX, S.A.B. de C.V., a public stock corporation with variable capital organised under the laws of the United Mexican States, or Mexico, and its shares are publicly traded on the Mexican Stock Exchange. The Company’s subsidiaries and their principal activities are detailed in note 27.

(2) MATERIAL ACCOUNTING POLICIES

(2.1) BASIS OF PRESENTATION AND DISCLOSURE

(i) Basis of accounting

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards. They were authorised for issue by the Company’s board of directors on March 28, 2025.

(ii) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative bases on each reporting date.

- Derivative financial instruments designated as cash flow hedges are measured at fair value through other comprehensive income (“OCI”) as explained in note 2.6.
- Equity investments are measured at fair value through OCI.
- Employee benefits asset and liabilities are measured at the fair value of plan assets, adjusted by remeasurement through other comprehensive income (“OCI”), less the present value of the defined benefit obligation adjusted by experience gains/losses on revaluation, limited as explained in note 2.12 and note 18.

(iii) Functional and presentation currency

These consolidated financial statements are presented in Trinidad and Tobago Dollars (“TTD”), which is the Company’s functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

(iv) Going concern basis of accounting

The consolidated financial statements have been prepared on a going concern basis, which assumes that the Group will be able to discharge its liabilities including the mandatory repayment terms of the banking facilities as disclosed in note 14.1.

The Group has recognised a net income of \$216,417 for the year ended December 31, 2024 (2023: \$170,193) and, as at that date, current liabilities exceeded current assets by \$5,800 (2023: \$1,316).

Based on these factors, management has a reasonable expectation that the Group has and will have adequate resources to continue in operational existence for the foreseeable future.

(2) MATERIAL ACCOUNTING POLICIES (continued)

(2.1) BASIS OF PRESENTATION AND DISCLOSURE (continued)

(v) Newly issued and amended IFRS adopted in 2024

The Group has adopted Classification of Liabilities as Current or Non-current (Amendments to IAS 1) and Non-current Liabilities with Covenants (Amendments to IAS 1) from 1 January 2024. The amendments apply retrospectively. The amendments clarify that the classification of liabilities as current or non-current should only be based on rights that are in place at the end of the reporting period. Only liabilities with rights to defer settlement for 12 months that exist at the reporting date should be classified as non-current. Covenants for non-current loan liabilities that are subject to covenants within 12 months after the reporting period are disclosed in note 14.1. The Group's liabilities were not impacted by the amendments and there is no retrospective impact on the comparative statement of financial position, as the Group.

The Group has adopted Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7) from 1 January 2024. The amendments require additional disclosures of specific information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the Group's liabilities and cash flows and on the Group's exposure to liquidity risk. As a result of the adoption of the amendments to IAS 7 and IFRS 7, the group provided new disclosures for liabilities under supplier finance arrangements in note 15. This amendment did not have any impact on the amounts recognised in prior periods nor is it expected to affect the current or future periods.

The Group has adopted Lease Liability in Sale and Leaseback (Amendments to IFRS 16) from 1 January 2024. The narrow scope amendments restrict the seller-lessee from recognising gains or losses relating to the right of use retained after initial recognition of liabilities under a sale and leaseback arrangement. This amendment did not have any impact on the amounts recognised in prior periods nor is it expected to affect the current or future periods.

(2.2) BASIS OF CONSOLIDATION

(i) Business combinations

The consolidated financial statements include those of Trinidad Cement Limited and those of the entities over which the Company exercises control, by means of which the Company is exposed, or has rights, to variable returns from its involvement with the investee, and has the ability to affect those returns through its power over the investee's relevant activities.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the consolidated financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(iii) Non-controlling interests

Non-controlling interests are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(iv) Interest in equity-accounted investees

Investments are accounted for using the equity method when Trinidad Cement Limited has significant influence which is generally presumed with a minimum equity interest of 20%. The equity method reflects in the consolidated financial statements, the investee's original cost and the Group's share of the investee's equity and earnings after acquisition.

(v) Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

TRINIDAD CEMENT LIMITED
Notes to the Consolidated Financial Statements
As of December 31, 2024
(Thousands of Trinidad and Tobago dollars)

(2) MATERIAL ACCOUNTING POLICIES (continued)

(2.3) USE OF JUDGEMENTS AND ESTIMATES

The preparation of these consolidated financial statements requires management to make judgements and estimates about the future, including climate-related risk and opportunities that affect the application of the Group's accounting policies and reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities as at the date of the consolidated financial statements; as well as the reported amounts of revenues and expenses during the period. These assumptions are reviewed on an ongoing basis using available information. Revisions to estimates are recognised prospectively. Actual results could differ from these estimates.

Judgements

Information about assumptions and estimations at the reporting date to the carrying amounts of assets and liabilities include:

- Note 12 describes the the accounting for a strategic investment in which the the Group does not have significant influence over the investee.
- Note 14.6 and note 15 describes the reverse factoring presentation of amounts related to supplier finance arrangements in the statement of financial position and the statement of cash flows.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities include:

i) Property, machinery and equipment (note 13)

Management exercises judgement in the determination of the key assumptions and estimates of the future cash flows utilised in the impairment tests performed on the property, machinery and equipment. These assumptions include the use of a suitable discount rate and applicable cash flow forecasts to be used in the analysis. These variables significantly impact the results and conclusions derived from the impairment tests performed.

(ii) Pensions and post-employment benefits (note 18)

The costs of defined benefit pension plans, and other post-retirement benefits are determined using actuarial valuations. The actuarial valuation involves making judgements and assumptions in determining discount rates, mortality, terminations, expected rates of return on assets, future salary increases, and future pension increases. Due to the long-term nature of these plans, such assumptions are subject to significant uncertainty. All assumptions are reviewed at each reporting date. The most significant assumptions used in the determination of the benefit obligation are specified in note 18.

(iii) Deferred taxation assets and liabilities (note 19.2)

Deferred taxation assets are recognized based on the availability of future taxable profits against which deductible temporary differences and tax losses carried forward can be utilised. Management exercises judgement in determination of key assumptions utilised to budget future taxable profits.

(2.4) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION OF FOREIGN CURRENCY

Transactions denominated in foreign currencies are recorded in the functional currency at the exchange rates prevailing on the dates of their execution. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the reporting date, and the resulting foreign exchange fluctuations are recognised in earnings, except for exchange fluctuations arising from: 1) loans to foreign entities; and 2) fluctuations associated with related parties' balances denominated in foreign currency, whose settlement is neither planned nor likely to occur in the foreseeable future and as a result, such balances are of a permanent investment nature. These fluctuations are recorded against "Other equity reserves", as part of the foreign currency translation adjustment (note 20.3) until the disposal of the foreign net investment, at which time, the accumulated amount is recycled through the consolidated income statement on disposal.

The financial statements of foreign subsidiaries, as determined using their respective functional currencies, are translated to Trinidad and Tobago dollars (TTD) at the closing exchange rate for statement of financial position accounts and at the closing exchange rates of each month within the period for income statement accounts. The functional currency is that in which each consolidated entity primarily generates and expends cash. The corresponding translation effect is included within "Other equity reserves" and is presented in the consolidated statement of comprehensive income for the period as part of the foreign currency translation adjustment (note 20.3) until the disposal of the net investment in the foreign subsidiary.

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(2) MATERIAL ACCOUNTING POLICIES (continued)

(2.4) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION OF FOREIGN CURRENCY (continued)

The most significant closing exchange rates and the approximate average exchange rates for consolidated statement of financial position accounts and consolidated income statement accounts as of December 31, 2024 and 2023, were as follows:

Currency	2024		2023	
	Closing	Average	Closing	Average
Jamaican Dollar (JMD)	0.0433	0.0431	0.0437	0.0438
United States Dollar (USD)	6.7766	6.7656	6.7674	6.7708
Guyanese Dollar (GYD)	0.0322	0.0321	0.0322	0.0322
Barbadian Dollar (BBD)	3.3420	3.3366	3.3375	3.3392

The financial statements of foreign subsidiaries are translated from their functional currencies into TTD using implied exchange rates with reference to the U.S. dollar. The implied rate represents the ratio of the selling rates for U.S. dollars published by the respective central banks as at the last business day of the month.

(2.5) CASH AND CASH EQUIVALENTS (note 8)

The balance in this caption consists of available amounts of cash and cash equivalents, mainly represented by highly liquid short-term investments, which are readily convertible into known amounts of cash, and which are not subject to significant risks of changes in their values, including overnight investments, which yield fixed returns and have maturities of less than three months from the investment date. These fixed-income investments are recorded at cost plus accrued interest. Accrued interest is included in the consolidated income statement as part of "Financial income".

(2.6) FINANCIAL INSTRUMENTS (note 14)

Financial instruments carried on the consolidated statement of financial position include cash and cash equivalents, trade accounts receivable, other accounts receivable, taxation recoverable, short-term and long-term debt, other financial obligations, non-current liabilities, trade payables and other current liabilities.

(i) Initial recognition

Trade accounts receivable and long-term debt issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

(ii) Classification and measurement of financial instruments

The financial assets are classified under three principal classification categories for financial assets: measured at amortised cost, measured at fair value through other comprehensive income (FVOCI) and measured at fair value through profit or loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

The classification of amortised cost financial assets and liabilities comprises the following captions:

- Cash at bank and on hand (notes 2.5 and 8).
- Trade accounts receivable, net, other accounts receivable and accounts receivable from related parties (notes 9, 10, and 25). Due to their short-term nature, the Group initially recognises these assets at the original invoiced or transaction amount less expected credit losses.
- Liabilities for trade payables, other account payables and accrued expenses and accounts payable to related parties (notes 15 and 25) are recorded initially at amounts representing the fair value of the consideration to be paid for goods or services received by the reporting date, whether or not billed.

Long-term debt and other financial obligations are classified as "Loans" and are measured at amortised cost (notes 14.1 and 14.2). Interest accrued on financial instruments is recognised within "Other current liabilities" against financial expense. During the reported periods, the Group did not have financial liabilities voluntarily recognised at fair value or associated with fair value hedge strategies with derivative financial instruments.

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(2) MATERIAL ACCOUNTING POLICIES (continued)

(2.6) FINANCIAL INSTRUMENTS (note 14) (continued)

Derivative financial instruments are recognised as assets or liabilities in the consolidated statement of financial position at their estimated fair values, and the changes in such fair values are recognised in the consolidated income statement within "Financial expenses" for the period in which they occur, except in the case of hedging instruments as described in note 14.5.

(iii) Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or when they expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the consolidated income statement.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Impairment of financial assets

Impairment losses of financial assets, including trade accounts receivable, are recognised using the expected credit loss model for the entire lifetime of such financial assets on initial recognition, and at each subsequent reporting period, even in the absence of a credit event or if a loss has not yet been incurred, considering for their measurement past events and current conditions, as well as reasonable and supportable forecasts affecting collectability.

(vi) Costs incurred in the issuance of debt or borrowings

Long-term and short-term debts are recognised net of direct costs incurred on new loans, issuance and non-substantial modifications to existing debt agreements. These costs include commissions and professional fees. Costs incurred in the extinguishment of debt, as well as debt refinancing or modifications to debt agreements, when the new instrument is substantially different from the old instrument according to a qualitative and quantitative analysis, are recognised in the consolidated income statement as incurred.

(vii) Hedging instruments (note 14.5)

A hedging relationship is established to the extent the entity considers, based on the analysis of the overall characteristics of the hedging and hedged items, that the hedge will be highly effective in the future and the hedge relationship at inception is aligned with the entity's reported risk management strategy (note 14.6). The accounting categories of hedging instruments are:

- a) cash flow hedge
- b) fair value hedge of an asset or forecasted transaction
- c) hedge of a net investment in a subsidiary.

In cash flow hedges, the effective portion of changes in fair value of derivative instruments are recognised in the consolidated statement of changes in shareholders' equity within other equity reserves and are reclassified to earnings as the interest expense of the related debt is accrued, in the case of interest rate swaps, or when the underlying products are consumed in the case of contracts on the price of raw materials and commodities. In hedges of the net investment in foreign subsidiaries, changes in fair value are recognised in the consolidated statement of changes in shareholders' equity as part of the foreign currency translation result within other equity reserves (note 2.4), whose reversal to earnings would take place upon disposal of the foreign investment. During the reported periods, the Group did not have derivatives designated as fair value hedges. Derivative instruments are

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(2) MATERIAL ACCOUNTING POLICIES (continued)

(2.6) FINANCIAL INSTRUMENTS (note 14) (continued)

negotiated with institutions with significant financial capacity; therefore, the Group believes the risk of non-performance of the obligations agreed to by such counterparties to be minimal.

(viii) Embedded derivative financial instruments

The Group reviews its contracts to identify the existence of embedded derivatives. Identified embedded derivatives are analysed to determine if they need to be separated from the host contract and recognised in the consolidated statement of financial position as assets or liabilities, applying the same valuation rules used for other derivative instruments. During the reported periods, the Group did not identify the existence of embedded derivatives.

(ix) Fair value measurements (note 14.4)

Employee benefits are measured at the fair value of plan assets, adjusted by remeasurement through OCI, less the present value of the defined benefit obligation adjusted by experience gains/losses on revaluation (note 18).

Under IFRS, fair value represents an "Exit Price" which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, considering the counterparty's credit risk in the valuation. The concept of Exit Price is premised on the existence of a market and market participants for the specific asset or liability. When there are no market and/or market participants willing to make a market, IFRS establishes a fair value hierarchy that gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy are as follows:

- Level 1 inputs represent quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group has the ability to access at the measurement date. A quoted price in an active market provides the most reliable evidence of fair value and is used without adjustment to measure fair value whenever available.
- Level 2 are inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly, and are used mainly to determine the fair value of securities, investments or loans that are not actively traded. Level 2 inputs included equity prices, certain interest rates and yield curves, implied volatility and credit spreads, among others, as well as inputs extrapolated from other observable inputs. In the absence of Level 1 inputs, the Group determined fair values by iteration of the applicable Level 2 inputs, the number of securities and/or the other relevant terms of the contract, as applicable.
- Level 3 are inputs that are unobservable inputs for the asset or liability. The Group used unobservable inputs to determine fair values, to the extent there are no Level 1 or Level 2 inputs, in valuation models such as Black-Scholes, binomial, discounted cash flows or multiples of Operative EBITDA, including risk assumptions consistent with what market participants would use to arrive at fair value.

(2.7) INVENTORIES (note 11)

Inventories are valued using the lower of cost or net realisable value. The cost of inventories includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost is calculated using the weighted average method. The Group analyses its inventory balances to determine if, as a result of internal events, such as physical damage, or external events, such as technological changes or market conditions, certain portions of such balances have become obsolete or impaired. When an impairment situation arises, the inventory balance is adjusted to its net realisable value, whereas, if an obsolescence situation occurs, the inventory obsolescence reserve is increased. In both cases, these adjustments are recognised against the results of the period. Net realisable value represents the estimated selling price less estimated costs of completion and cost to be incurred in marketing, selling and distribution. Goods in Transit are classes of inventory for which the company bears the inventory risk but has not been physically received as at the reporting date. These goods are valued at suppliers' invoice cost plus freight and insurance, as applicable.

(2.8) PROPERTY, MACHINERY AND EQUIPMENT (note 13)

Property, machinery and equipment are recognised at their acquisition or construction costs, as applicable, less accumulated depreciation and accumulated impairment losses. Depreciation of property, machinery and equipment is recognised as part of cost of sales and operating expenses (note 5) and is calculated using the straight-line method over the estimated useful lives of the assets, except for mineral reserves, which are depleted using the units-of-production method.

(2) MATERIAL ACCOUNTING POLICIES (continued)

(2.8) PROPERTY, MACHINERY AND EQUIPMENT (note 13) (continued)

As of December 31, 2024, the average useful lives by category of property, machinery and equipment were as follows:

	Years
Improvements to land and mineral reserves	30
Buildings	20-50
Machinery and equipment	3-33

All waste removal costs or stripping costs incurred in the operative phase of a surface mine in order to access the mineral reserves are recognised as part of the carrying amount of the related quarries. The capitalised amounts are further amortised over the expected useful life using the straight-line method.

Costs incurred in respect of operating property, machinery and equipment that result in future economic benefits, such as an extension in their useful lives, an increase in their production capacity or in safety, as well as those costs incurred to mitigate or prevent environmental damage, are capitalised as part of the carrying amount of the related assets. The capitalised costs are depreciated over the remaining useful lives of such property, machinery and equipment. Periodic maintenance on property, machinery and equipment is expensed as incurred. Advances to suppliers of property, machinery and equipment are presented as part of other accounts receivable, net.

The useful lives and residual values of property, machinery and equipment are reviewed annually and adjusted if appropriate.

Impairment of non-financial assets

These assets are tested for impairment upon the occurrence of factors such as the occurrence of a significant adverse event, changes in the Group's operating environment or in technology, as well as expectations of lower operating results, to determine whether their carrying amounts may not be recovered. An impairment loss is recorded in the consolidated income statement for the period within "Other income (expenses), net," for the excess of the asset's carrying amount over its recoverable amount, corresponding to the higher of the fair value less costs to sell the asset, and the asset's value in use, the latter represented by the net present value (NPV) of estimated cash flows related to the use and eventual disposal of the asset. The main assumptions utilised to develop estimates of NPV are a discount rate that reflects the risk of the cash flows associated with the assets and the estimations of generation of future income. Those assumptions are evaluated for reasonableness by comparing such discount rates to available market information and by comparing to third-party expectations of industry growth, such as governmental agencies or industry chambers.

The reportable segments reported by the Group (note 4), represent the Group's groups of CGUs considering:

- a) that the operating components that comprise the reported segment have similar economic characteristics;
- b) that the reported segments are used by the Group to organise and evaluate its activities in its internal information system;
- c) the homogeneous nature of the items produced and traded in each operative component, which are all used by the construction industry;
- d) the vertical integration in the value chain of the products comprising each component;
- e) the type of clients, which are substantially similar in all components; and
- f) the operative integration among components.

Impairment tests are significantly sensitive to the estimation of future prices of the Group's products, the development of operating expenses, local and international economic trends in the construction industry, the long-term growth expectations in the different markets, as well as the discount rates and the growth rates in perpetuity applied. For purposes of estimating future prices, the Group uses, to the extent available, historical data plus the expected increase or decrease according to information issued by trusted external sources, such as national construction or cement producer chambers and/or in governmental economic expectations. Operating expenses are normally measured as a constant proportion of revenues, following experience.

(2.9) PROVISIONS (note 16)

The Group recognises provisions when it has a legal or constructive obligation resulting from past events, whose resolution would imply cash outflows, or the delivery of other resources owned by the Group. As of December 31, 2024 some significant proceedings that gave rise to a portion of the carrying amount of the Group's current provisions and contingent liabilities are detailed in note 23.

Considering guidance under IFRS, the Group recognises provisions for levies imposed by governments when the obligating event or the activity that triggers the payment of the levy has occurred, as defined in the legislation.

(2) MATERIAL ACCOUNTING POLICIES (continued)

(2.9) PROVISIONS (note 16) (continued)

(i) Restructuring

The Group recognises provisions for restructuring when the restructuring detailed plans have been properly finalised and authorised by management and have been communicated to the stakeholders involved and/or affected by the restructuring prior to the consolidated statement of financial position's date. These provisions may include costs not associated with the Group's ongoing activities.

(ii) Costs related to remediation of the environment (note 16)

Provisions associated with environmental damage represent the estimated future cost of remediation, which are recognised at their nominal value when the time schedule for the disbursement is not clear, or when the economic effect for the passage of time is not significant; otherwise, such provisions are recognised at their discounted values using the weighted average cost of capital. Reimbursements from insurance companies are recognised as assets only when their recovery is practically certain. In that case, such reimbursement assets are not offset against the provision for remediation costs.

(iii) Contingencies and commitments (note 22 and 23)

Obligations or losses related to contingencies are recognised as liabilities in the consolidated statement of financial position only when present obligations exist resulting from past events that are expected to result in an outflow of resources and the amount can be measured reliably. Otherwise, a qualitative disclosure is included in the notes to the consolidated financial statements. The effects of long-term commitments established with third parties, such as supply contracts with suppliers or customers, are recognised in the consolidated financial statements on an incurred or accrued basis, after taking into consideration the substance of the agreements. Relevant commitments are disclosed in the notes to the consolidated financial statements. The Group does not recognise contingent revenues, income or assets, unless their realisation is virtually certain.

(iv) Legal provisions (note 23)

The Group recognises provisions for legal settlements and litigation expenses when it is probable that threatened or commenced litigation will result have an adverse economic effect on the Group.

(2.10) TAXATION (note 19)

The effects reflected in the consolidated income statement for the taxation charge include the amounts of current and deferred taxation, determined according to the income tax law applicable to each subsidiary.

Current taxation includes the expected taxation payable or recoverable on the taxable income or loss for the year and any adjustment to the taxation payable or recoverable in respect of previous years. The amount of current taxation payable or recoverable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Consolidated deferred taxation is calculated by applying the enacted statutory tax rate in the relevant jurisdiction to the total temporary differences resulting from comparing the book and taxable values of assets and liabilities, considering taxation assets such as loss carryforwards and other recoverable taxes, to the extent that it is probable that future taxable profits will be available against which they can be utilised. The measurement of deferred taxation at the reporting period reflects the tax consequences that follow the way in which the Group expects to recover or settle the carrying amount of its assets and liabilities. Deferred taxation for the period represents the difference between balances of deferred taxation at the beginning and the end of the period. Deferred taxation assets and liabilities relating to different tax jurisdictions are not offset. According to IFRS, all items charged or credited directly in the consolidated statement of changes in shareholders' equity or as part of other comprehensive income or loss for the period are recognised net of their current and deferred taxation effects. The effect of a change in enacted statutory tax rates is recognised in the period in which the change is substantively enacted.

Deferred taxation assets are reviewed at each reporting date and are reduced when it is not deemed probable that the related tax benefit will be realised, considering the aggregate amount of self-determined tax loss carryforwards that the Group believes will not be rejected by the tax authorities based on available evidence and the likelihood of recovering them prior to their expiration through an analysis of estimated future taxable income. If it is probable that the tax authorities would reject a self-determined deferred taxation asset, the Group would decrease such an asset. When it is considered that a deferred taxation asset will not be recovered before its expiration, the Group would not recognise such a deferred taxation asset. Both situations would result in additional tax expenses for the period in which such a determination is made. In order to determine whether it is probable that deferred taxation assets will ultimately be recovered, the Group takes into consideration all available positive and negative evidence, including factors such as market conditions, industry analysis, expansion plans, projected taxable income, carryforward periods, current tax structure, potential changes or adjustments in tax structure, tax planning strategies and future reversals of existing temporary differences. Likewise, the Group

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(2) MATERIAL ACCOUNTING POLICIES (continued)

(2.10) TAXATION (note 19) (continued)

analyses its actual results versus the Group's estimates, and adjusts, as necessary, its tax asset valuations. If actual results vary from the Group's estimates, the deferred taxation asset and/or valuations may be affected, and necessary adjustments will be made based on relevant information in the Group's consolidated income statement for such a period.

The tax effects from an uncertain tax position are recognised when it is probable that the position will be sustained based on its technical merits and assuming that the tax authorities will examine each position and have full knowledge of all relevant information, and they are measured using a cumulative probability model. Each position has been considered on its own, regardless of its relation to any other broader tax settlement. The high probability threshold represents a positive assertion by management that the Group is entitled to the economic benefits of a tax position. If a tax position is considered not probable of being sustained, no benefits of the position are recognised. Interest and penalties related to unrecognised tax benefits are recorded as part of the taxation in the consolidated income statement.

The effective taxation rate is determined by dividing the line item "Taxation charge" by the line item "Earnings before taxation". This effective taxation rate is further reconciled to the Group's statutory tax rate applicable in Trinidad and Tobago (note 19.3). A significant effect in the Group's effective taxation rate and consequently in the reconciliation of the Group's effective tax rate, relates to the difference between the statutory tax rate in Trinidad and Tobago of 30% against the applicable taxation rates of each country where the Group operates.

For the year ended December 31, 2024, the statutory tax rates in the Group's main operations were as follows:

Country	2024	2023
Trinidad and Tobago	30%	30%
Jamaica	25%	25%
Guyana	25%	25%
Barbados	2.50% - 5.50%	2.50% - 5.50%

The Group's current and deferred taxation amounts included in the consolidated income statement for the period are highly variable, and are subject, among other factors, to taxable income determined in each jurisdiction in which the Group operates. Such amounts of taxable income depend on factors such as sales volumes and prices, costs and expenses, exchange rates fluctuations and interest on debt, among others, as well as to the estimated tax assets at the end of the period due to the expected future generation of taxable gains in each jurisdiction.

(2.11) BORROWINGS AND BORROWING COSTS (note 14.1)

Short-term debt and long-term debt

Borrowings are stated initially at cost, being the fair value of consideration received net of transaction costs associated with the borrowings. After initial recognition, borrowings are measured at amortised cost using the effective interest method; any difference between proceeds and the redemption value is recognised in the consolidated income statement over the period of the borrowings.

Borrowings are classified as current when the Group expects to settle the liability in its normal operating cycle, it holds the liability primarily for the purpose of trading, the liability is due to be settled within 12 months after the date of the consolidated statement of financial position, or it does not have an existing right to defer settlement of the liability for at least 12 months after the date of the consolidated statement of financial position, otherwise, it is classified as long-term.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(2) MATERIAL ACCOUNTING POLICIES (continued)

(2.12) PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS (note 18)

(i) Defined contribution pension plans

The costs of defined contribution pension plans are recognised in the operating results as they are incurred. Liabilities arising from such plans are settled through cash transfers to the employees' retirement accounts, without generating future obligations.

(ii) Defined benefit pension plans and other post-employment benefits

The costs associated with employees' benefits for: a) defined benefit pension plans; and b) other post-employment benefits, basically consisting of health care benefits, life insurance and seniority premiums granted by the Group are recognised as services are rendered, based on actuarial estimations of the benefits' present value with the advice of external actuaries. For certain pension plans, the Group has created irrevocable trust funds to cover future benefit payments ("plan assets"). The net defined benefit asset (obligation) is recognised at the fair value of plan assets, adjusted by remeasurement through OCI, less the present value of the defined benefit obligation adjusted by experience gains/losses on revaluation at the reporting date. The actuarial assumptions and accounting policy consider: a) the use of nominal rates; b) a single rate is used for the determination of the expected return on plan assets and the discount of the benefits obligation to present value; c) net interest is recognised on the net defined benefit liability (liability minus plan assets); and d) all actuarial gains and losses for the period, related to differences between the projected and real actuarial assumptions at the end of the period, as well as the difference between the expected and real return on plan assets, and the effect of asset ceiling are recognised as part of "Total items of other comprehensive income, net" within the consolidated statement of comprehensive income.

The service cost, corresponding to the increase in the obligation for additional benefits earned by employees during the period, is recognised within the consolidated income statement. The net interest cost, resulting from the increase in obligations for changes in the net present value and the change during the period in the estimated fair value of plan assets, is recognised within "Financial expense".

The effects from modifications to the pension plans that affect the cost of past services are recognised within the consolidated income statement over the period in which such modifications become effective to the employees or without delay if changes are effective immediately. Likewise, the effects from curtailments and/or settlements of obligations occurring during the period, associated with events that significantly reduce the cost of future services and/or reduce significantly the population subject to pension benefits, respectively, are recognised within "Other income (expenses), net".

(iii) Termination benefits

Termination benefits, not associated with a restructuring event, which mainly represent severance payments by law, are recognised in the operating results for the period in which they are incurred.

(2.13) LEASES (note 24)

As lessee

At inception of a contract, the Group assesses whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether the contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.
- The Group has the right to obtain substantially all of the economic benefit from use of the asset throughout the period of use; and
- The Group has the right to direct use of the asset. The Group has the right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using an interest rate that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liabilities comprise solely fixed payments. The lease liabilities are measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

(2) MATERIAL ACCOUNTING POLICIES (continued)

(2.13) LEASES (note 24) (continued)

When the lease liabilities are remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the consolidated income statement if the carrying amount of the right-of-use asset has been reduced to zero.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liabilities.

The Group does not recognise the rental of the land for the quarries as those are not within the scope of IFRS 16. The Group recognises the lease payments associated with these leases as an expense on the accrual basis.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(2.14) SHAREHOLDERS' EQUITY (note 20)

Stated capital (note 20.1)

This item represents the value of issued and fully paid ordinary shares of no par value.

Unallocated ESOP shares (note 20.2)

The Company operates an Employee Share Ownership Plan ("ESOP") to give effect to a contractual obligation to pay profit sharing bonuses to employees via shares of the Company based on a set formula.

Shares acquired by the ESOP are funded by the Company's contributions. The cost of the shares so acquired, and which remain unallocated to employees have been recognised in the consolidated statement of changes in shareholders' equity under "Unallocated ESOP shares".

Other equity reserves (note 20.3)

The cumulative effects of items and transactions that are, temporarily or permanently, recognised directly to the consolidated statement of changes in shareholders' equity, and includes the comprehensive income, which reflects certain changes in shareholders' equity that do not result from transactions and distributions to owners are recorded as other equity reserves. The most significant items within "Other equity reserves" during the reported periods are as follows:

Items of "Other equity reserves" included within other comprehensive income:

- Currency translation effects from the translation of foreign subsidiaries, net of: a) exchange results from foreign currency debt directly related to the acquisition of foreign subsidiaries; and b) exchange results from foreign currency related parties' balances that are of a non-current investment class (note 2.4);
- The effective portion of the valuation and liquidation effects from derivative instruments under cash flow hedging relationships, which are recorded temporarily in the consolidated statement of shareholders' equity (note 2.6); and
- Current and deferred income taxation during the period arising from items whose effects are directly recognised in the consolidated statement of changes in shareholders' equity.

Items of "Other equity reserves" not included in other comprehensive income:

- Effects related to controlling shareholders' equity for changes or transactions affecting non-controlling interest shareholders in the Group's consolidated subsidiaries; and
- ESOP transactions.

Retained earnings (note 20.4)

Retained earnings represent the cumulative net results of prior years, net of: a) dividends declared; b) capitalisation of retained earnings; c) items of other comprehensive income that will not be reclassified subsequently to the consolidated income statement; and d) cumulative effects from adoption of new IFRS.

(2) MATERIAL ACCOUNTING POLICIES (continued)

(2.14) SHAREHOLDERS' EQUITY (note 20) (continued)

Non-controlling interest (note 20.5)

This caption includes the share of non-controlling shareholders in the results and equity of consolidated subsidiaries.

(2.15) REVENUE RECOGNITION (note 3)

Revenue is recognised at a point in time in the amount of the price, before tax on sales, expected to be received by the Group's subsidiaries for goods and services supplied as a result of their ordinary activities, as contractual performance obligations are fulfilled, and control of goods and services passes to the customer. Revenues are decreased by any trade discounts or volume rebates granted to customers. Transactions between related parties are eliminated on consolidation.

Variable consideration is recognised when it is highly probable that a significant reversal in the amount of cumulative revenue recognised for the contract will not occur and is measured using the expected value or the most likely amount method, whichever is expected to better predict the amount based on the terms and conditions of the contract.

Revenue and costs from trading activities, in which the Group acquires finished goods from a third party and subsequently sells the goods to another third-party, are recognised on a gross basis, considering that the Group assumes ownership risks on the goods purchased, not acting as agent or broker.

The Group has established a customer loyalty programme

Progress payments and advances received from customers do not reflect the work performed and are recognised as "Other current liabilities".

(2.16) COST OF SALES AND OPERATING EXPENSES (note 5)

Cost of sales represents the production cost of inventories at the moment of sale. Such cost of sales includes depreciation, amortisation and depletion of assets involved in production, expenses related to storage in production plants and freight expenses of raw material in plants and delivery expenses of the Group's ready-mix concrete business.

Administrative expenses represent the expenses associated with personnel, services and equipment, including depreciation and amortisation, related to managerial activities and back office for the Group's management.

Distribution and logistics expenses refer to expenses of storage at points of sales, including depreciation and amortisation, as well as freight expenses of finished products between plants and points of sale and freight expenses between points of sales and the customers' facilities.

(2.17) FINANCE INCOME AND EXPENSE (note 7)

Finance income comprises interest income on savings from bank account. Interest income is recognised as it accrues, using the effective interest method. Finance expense comprises interest charges on short-term and long-term debt unwinding of discount on other financial liabilities, unwinding of discount on lease liabilities and unwinding of discount on rehabilitation provision. Interest is recognised and accrued using the effective interest method.

(2.18) RELATED PARTIES (note 25)

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24, Related Party Disclosures as the "reporting entity", in this case, the Group).

A related party transaction is a transfer of resources, services or obligations between related parties, independent of whether the amount is charged.

(i) A person or a close member of that person's family is related to the Group if that person:

1. has control or joint control over the Group;
2. has significant influence over the Group; or
3. is a member of the key management personnel of the Group or of a parent of the Group.

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(2) MATERIAL ACCOUNTING POLICIES (continued)

(2.18) RELATED PARTIES (note 25) (continued)

(ii) An entity is related to the Group if any of the following conditions applies:

1. The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
2. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of an entity of which the other entity is a member).
3. Both entities are joint ventures of the same third party.
4. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
5. The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
6. The entity is controlled, or jointly controlled, by a person identified in (i).
7. A person identified in (i)(1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
8. The entity, or any member of a group of which it is a part, provides key management services to the Group or to the parent of the Group.

(2.19) NEWLY ISSUED IFRS AND AMENDMENTS NOT YET ADOPTED

IFRS issued as of the date of issuance of these financial statements which have not yet been adopted are described as follows. The Group is currently reviewing the possible impact of these new standards.

Standard	Main topic	Effective date
Amendments to IAS 21 Lack of Exchangeability	Lack of Exchangeability amends IAS 21 The Effects of Changes in Foreign Exchange Rates to require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.	January 1, 2025
Amendments to IFRS 9 and IFRS 7 Classification and measurement of financial instruments	The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 Financial Instruments.	January 1, 2026
Amendment to <i>IFRS 1, IFRS 7 and IFRS 9, IFRS 10 and IAS 7</i>	The amendments are part of the Annual Improvements and address, among other things, conflicts between IFRS 9 and IFRS 15 and additional guidance on derecognising a lease liability.	1 January 2026
IFRS 18 - Presentation and Disclosure in Financial Statements	IFRS 18 will replace IAS 1 Presentation of Financial Statements. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements (financial statements) to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.	1 January 2027
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	IFRS 19 aims to alleviate the cost of preparing financial statements for eligible entities, while maintaining the usefulness of their financial statements for users. IFRS 19 does not replace any previous accounting standards, but rather works alongside the existing IFRS accounting standards. It is a disclosure-only standard that permits eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements. It lists the reduced disclosure requirements by IFRS Accounting Standard.	1 January 2027
Amendments to IFRS 10, Consolidated financial statements and IAS 28 Investments in associates and joint ventures	The amendments clarify the recognition of gains or losses in the Parent's financial statements for the sale or contribution of assets between an investor and its associate or joint venture.	Effective date deferred indefinitely

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(3) REVENUE

The Group's revenue is mainly originated from the sale and distribution of cement, ready-mix concrete, aggregates, packaging and other construction materials. The Group grants credit for terms ranging from 3 to 60 days depending on the type and risk of each customer. For the year ended December 31, 2024 revenue, after eliminations between related parties resulting from consolidation, is as follows:

	2024	2023
From the sale of goods associated with the Group's main activities	\$ 2,214,771	2,229,602

The Group sells its products primarily to distributors in the construction industry, with no specific geographic concentration within the countries in which the Group operates. As of and for the year ended December 31, 2024, no single customer individually accounted for a significant amount of the reported amounts of sales or in the balances of trade accounts receivable. In addition, there is no significant concentration of a specific supplier relating to the purchase of raw materials.

Information on revenue by reportable segment and primary geographical markets is presented in note 4.

Certain promotions and/or discounts and rebates offered as part of the sale transaction, result in a portion of the transaction price should be allocated to such commercial incentives as separate performance obligations, recognized as contract liabilities with customers, and deferred to the statement of income during the period in which the incentive is exercised by the customer or until it expires. For the years ended December 31, 2024 changes in the balance of contract liabilities with customers are as follows:

	2024	2023
Opening balance of contract liabilities with customers	\$ —	—
Increase during the period for new transactions	2,558	—
Decrease during the period for exercise or expiration of incentives	(2,041)	—
Closing balance of contract liabilities with customers	\$ 517	—

(4) FINANCIAL INFORMATION BY SEGMENT

Reportable segments represent the components of the Group that engage in business activities from which the Group may earn revenues and incur expenses, whose operating results are regularly reviewed by the group's top management to make decisions about resources to be allocated to the segments and assess their performance, and for which discrete financial information is available. The Group operates geographically and by lines of business on a country basis. For the reported periods, the Group's main lines of business are 1) cement, 2) concrete, and 3) packaging and the Group's geographical segments are as follows: 1) Trinidad and Tobago, 2) Jamaica, 3) Barbados and 4) Guyana. The accounting policies applied to determine the financial information by reportable segment are consistent with those described in note 2.

Each reportable segment's operating results are reviewed regularly by the Group's Chief Operating Decision Maker ("CODM"), to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Group has identified the Group's Managing Director as its CODM.

The Group is organized and managed on the basis of the main product lines provided which are cement, concrete and packaging. Management records and monitors the operating results of each of the reportable segments separately for the purpose of making decisions about resource allocations and performance assessment.

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(4) FINANCIAL INFORMATION BY SEGMENT (continued)

Selected information of the consolidated financial statements by reportable segment was as follows:

2024	Cement	Concrete	Packaging	Adjustments	Total
Total revenue	\$ 2,185,828	86,340	13,532	—	2,285,700
Inter-segment revenue	(55,735)	(2,616)	(12,578)	—	(70,929)
Third party revenue	2,130,093	83,724	954	—	2,214,771
Interest revenue	17,311	541	—	—	17,852
Interest expenses	54,169	10	28	—	54,207
Depreciation	129,452	6,584	127	—	136,163
Impairment losses and write-off of property, machinery and equipment (note13)	63,903	—	—	—	63,903
Taxation charge	43,629	8,493	—	—	52,122
Earnings before taxation	250,032	18,334	173	—	268,539
Segment assets	3,802,160	132,530	45,720	(1,183,466)	2,796,944
Segment liabilities	2,738,821	50,423	7,920	(1,183,467)	1,613,697
Capital expenditure	344,548	7,623	—	—	352,171
Operating cash flows	647,077	491	1,602	—	649,170
Investing cash flows	(338,199)	(2,981)	—	—	(341,180)
Financing cash flows	(69,911)	(349)	—	—	(70,260)

2023	Cement	Concrete	Packaging	Adjustments	Total
Total revenue	\$ 2,319,037	44,246	16,306	—	2,379,589
Inter-segment revenue	(133,781)	(1,366)	(14,840)	—	(149,987)
Third party revenue	2,185,256	42,880	1,466	—	2,229,602
Interest revenue	15,198	527	332	(10,385)	5,672
Interest expenses	40,742	303	27	(10,385)	30,687
Depreciation	121,925	7,886	162	—	129,973
Impairment losses and write-off of property, machinery and equipment (note13)	19,409	—	—	—	19,409
Taxation charge	76,968	75	(17)	—	77,026
Earnings before taxation	246,579	(499)	1,139	—	247,219
Segment assets	3,409,715	129,977	42,090	(1,157,076)	2,424,706
Segment liabilities	2,310,873	54,207	4,051	(946,973)	1,422,158
Capital expenditure	(135,140)	(5,296)	—	—	(140,436)
Operating cash flows	336,165	9,706	1,220	—	347,091
Investing cash flows	(121,095)	(5,296)	—	—	(126,391)
Financing cash flows	(70,305)	(622)	—	—	(70,927)

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(4) FINANCIAL INFORMATION BY SEGMENT (continued)

Selected information of the consolidated financial statements by geographical segment was as follows:

	2024			2023		
	Revenue ¹	Property, machinery and equipment	Additions to fixed assets	Revenue ¹	Property, machinery and equipment	Additions to fixed assets
Trinidad and Tobago	\$ 549,000	448,053	95,536	500,093	400,463	51,313
Jamaica	1,159,684	1,168,431	249,518	1,165,780	992,913	81,079
Barbados	57,701	58,565	4,972	63,552	126,830	3,656
Guyana	215,696	32,596	2,145	220,950	36,146	4,388
Others	232,690	—	—	279,227	—	—
Total	\$ 2,214,771	1,707,645	352,171	2,229,602	1,556,352	140,436

¹ The revenue information above represents third party revenue based on the location of the customers' operations. Other countries include the OECS islands.

(5) COST OF SALES, OPERATING EXPENSES AND DEPRECIATION

(i) Consolidated cost of sales and operating expenses by nature are as follows:

	2024	2023
Personnel remuneration and benefits (see below)	\$ 353,985	316,762
Fuel and electricity	329,573	377,581
Operating and production expenses	185,025	182,863
Raw materials and consumables	497,273	491,730
Equipment hire and haulage	169,690	184,133
Repairs and maintenance	95,145	86,450
Changes in finished goods and work in progress	15,462	76,088
Impairment of trade accounts receivable	(647)	(329)
Depreciation (note 5 (ii))	136,163	129,973
Total cost to sales and operating expenses	\$ 1,781,669	1,845,251

	2024	2023
Personnel remuneration and benefits include:		
Salaries and wages	\$ 264,418	223,104
Statutory contributions	35,052	37,691
Other benefits	31,864	33,695
Pension costs – defined contribution plan	18,699	17,012
Net pension expense – defined benefit plans	3,297	2,451
Termination benefits	655	2,809
	\$ 353,985	316,762

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(5) COST OF SALES, OPERATING EXPENSES AND DEPRECIATION (continued)

(ii) Depreciation recognised are detailed as follows:

	2024	2023
Included in cost of sales	\$ (124,616)	(109,683)
Included in administrative, selling, distribution and logistics expenses	(11,547)	(20,290)
	<u>\$ (136,163)</u>	<u>(129,973)</u>

Consolidated income statement

Trinidad Cement Limited includes the line item titled “Operating earnings before other expenses and other income and credits” considering that it is a relevant operating measure for the Group's management. The line items “Other expenses” and “Other income and credits” consists primarily of income and expenses not directly related to the Group's main activities, or which are of an unusual and/or non-recurring nature, including results on disposal of assets and restructuring costs, among others. Under IFRS, the inclusion of certain subtotals such as “Operating earnings before other expenses and other income and credits” and the display of the consolidated income statement vary significantly by industry and company according to specific needs.

(6) OTHER (EXPENSES) AND OTHER INCOME AND CREDITS

(6.1) OTHER EXPENSES

The details of the line items “Other expenses” in 2024 and 2023 was as follows:

	2024	2023
Restructuring costs	\$ (60,756)	(46,539)
Related company royalties and management fees (note 25)	(46,177)	(36,527)
Impairment losses and write-off of property plant and equipment (note13)	(63,903)	(19,409)
Loss from the disposal of assets and others, net	(497)	(1,890)
	<u>\$ (171,333)</u>	<u>(104,365)</u>

Restructuring costs

Restructuring costs mainly refer to inventory write-downs, termination payments, legal expenses and other non-routine provisions and programs.

Impairment losses

In accordance with IAS 36: “Impairment of assets”, management performed an impairment test on Property, Plant and Equipment (PPE) and related assets of the Barbados subsidiary (ACCL) and recorded an impairment provision of \$63.9 million. The recoverable amount of \$58.6 million as at December 31, 2024 was based on the fair value. External professionals were engaged in January 2025 and conducted a valuation exercise to determine the fair value of the Group and its assets. The valuation was conducted by external, independent professionals having appropriate qualifications and experience in the location and assets valued. The valuator used the market approach to value real property (land) and the cost approach to value buildings and machinery and equipment. The valuation methods employed have been categorised as Level 2 fair values based on comparable sales and replacement costs adjusted for the current condition of the respective assets. This valuation was used to measure the fair value of the PPE in Barbados at December 31, 2024. The impairment test was conducted in response to management's observation of lower-than-expected profitability of the business unit in Barbados due to continue deterioration of its market conditions.

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(6) OTHER (EXPENSES) AND OTHER INCOME AND CREDITS (continued)

(6.2) OTHER INCOME AND CREDITS

The detail of the line item "Other income and credits" in 2024 and 2023 was as follows:

	2024	2023
Other miscellaneous income	\$ 40,131	13,227
Related party services	2,994	1,994
	\$ 43,125	15,221

Other miscellaneous income

The miscellaneous income mainly refer to reversal of legal provisions, sale of overstocked inventories, proceeds of insurance claims and other miscellaneous income.

(7) FINANCIAL (EXPENSES) AND INCOME

(7.1) FINANCIAL EXPENSES

The details of financial expense were as follows:

	2024	2023
Interest Expense	\$ (26,365)	(30,687)
Unwinding of discount on lease liabilities (note 24)	(2,945)	(1,995)
Unwinding of discount on rehabilitation provision (note 16)	(577)	(970)
Net interest on pension and other post-retirement obligations (note 18)	(11,731)	(11,725)
Foreign exchange losses	(12,589)	(9,396)
	\$ (54,207)	(54,773)

(7.2) FINANCIAL INCOME

The details of financial income, net in 2024 and 2023 were as follows:

	2024	2023
Interest revenue	\$ 17,852	5,672
Dividends received	—	1,113
	\$ 17,852	6,785

(8) CASH AND CASH EQUIVALENTS

As of December 31, 2024 and 2023 consolidated cash and cash equivalents consisted of:

	2024	2023
Cash at bank and on hand	\$ 472,527	236,172

This amount includes a demand deposit of \$352,756 (2023: \$152,876) with CEMEX Innovation Holding Limited, a subsidiary of the ultimate parent, which generates interest at a rate equal to the Western Asset Institutional Liquid Reserves Fund rate plus 30 basis points on a daily basis of a year of 360 days. This is a highly liquid investment which can be withdrawn at any time.

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(9) TRADE ACCOUNTS RECEIVABLE, NET

As of December 31, 2024 and 2023 consolidated trade accounts receivable, net consisted of:

		2024	2023
Trade accounts receivable	\$	58,703	70,159
Allowance for expected credit losses		(15,151)	(16,040)
	\$	<u>43,552</u>	<u>54,119</u>

Under the Expected Credit Loss (“ECL”) model, the Group segments its accounts receivable in a matrix by country, type of client or homogeneous credit risk and days past due and determines for each segment an average rate of ECL, considering actual credit loss experience over the last 60 months and analyses of future delinquency, that is applied to the balance of the accounts receivable and on origination of the trade accounts receivable. The average ECL rate increases in each segment of days past due until the rate is 100% for the segment of 360 days or more past due. Balances outstanding for 360 days and over and specifically observed non-performing accounts are deemed to be credit impaired.

As of December 31, 2024, and 2023 the balances of trade accounts receivable and the allowance for ECL were as follows:

		2024			2023		
		Accounts receivable	ECL allowance	ECL average rate	Accounts receivable	ECL allowance	ECL average rate
Trinidad and Tobago	\$	20,827	(683)	(3)%	16,838	(1,284)	(8)%
Jamaica		14,594	—	— %	14,891	—	— %
Barbados		14,792	(13,632)	(92)%	25,669	(13,685)	(53)%
Guyana		8,490	(836)	(10)%	12,761	(1,071)	(8)%
Total	\$	58,703	(15,151)	(26)%	70,159	(16,040)	(23)%

Changes in the ECL allowance were as follows:

		2024	2023
Allowances for ECL at beginning of year	\$	16,040	16,398
Credited to income statement		(647)	(329)
Accounts receivable written-off during the year		(263)	(32)
Foreign currency translation effects		21	3
Allowances for ECL at end of year	\$	<u>15,151</u>	<u>16,040</u>

(10) OTHER ACCOUNTS RECEIVABLE

As of December 31, 2024, and 2023 consolidated other accounts receivable consisted of:

		2024	2023
Sundry receivables and prepayments	\$	29,700	39,349
Loans to employees and others		2,066	2,327
Value added tax		11,799	13,464
Due from related companies (note 25)		16,511	8,735
	\$	<u>60,076</u>	<u>63,875</u>

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(11) INVENTORIES, NET

As of December 31, 2024 and 2023, the consolidated balance of inventories was summarised as follows:

	2024	2023
Finished goods	\$ 46,640	59,344
Work-in-process	61,984	36,415
Raw materials	25,403	26,556
Materials and spare parts	161,861	214,821
Inventory in transit	41,906	41,332
	<u>\$ 337,794</u>	<u>378,468</u>

Raw materials include raw materials of cement. Materials and spare parts include spares and consumables

For the year ended of December 31, 2024 inventories are shown net of inventory impairment losses of \$12.8 million (2023: \$13.5 million), respectively.

The Group included the changes in inventory provision for obsolescence as raw materials and consumables costs within "Cost of sales" (see note 5 (i)) and restructuring costs in "Other expenses" (see note 6).

During the year, inventories of \$843,597 (2023: \$716,727) were recognised as an expense and included in cost of sales.

During the year there was inventory write-offs amounting to \$27,924 (2023: \$43,550).

The change in the inventory provision for obsolescence for the year ended December 31, 2024 and 2023 is follows:

	2024	2023
Inventory obsolescence provision at beginning of period	\$ 13,462	86,618
Expense charged to consolidated income statement	7,937	12,083
Write-offs of inventories during the period	(7,885)	(84,768)
Write-back of provisions during the period	(655)	—
Foreign currency translation effects	(27)	(471)
Inventory obsolescence provision at end of period	<u>\$ 12,832</u>	<u>13,462</u>

(12) INVESTMENTS

The Group has a strategic investment in a property development company. The Group holds a 10% minority shareholding and does not exercise control.

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(13) PROPERTY, MACHINERY AND EQUIPMENT, NET

As of December 31, 2024 and 2023, property, machinery and equipment, net and the changes in such line item during 2024 and 2023 were as follows:

		2024				
		Land and Mineral reserves	Building	Machinery and equipment	Construction in progress	Total
Cost at beginning of the period	\$	143,421	330,963	3,363,843	265,461	4,103,688
Accumulated depreciation		(37,492)	(234,246)	(2,275,598)	—	(2,547,336)
Net book value at beginning of year		105,929	96,717	1,088,245	265,461	1,556,352
Capital expenditures		—	2,017	21,104	329,050	352,171
Disposals		—	—	(500)	—	(500)
Reclassifications		12,674	3,068	149,079	(157,356)	7,465
Depreciation for the year		(5,164)	(15,872)	(115,127)	—	(136,163)
Impairment/write-off of property plant and equipment		—	—	(63,903)	—	(63,903)
Foreign currency translation effects		(324)	(1,836)	(4,508)	(1,109)	(7,777)
Net book value at end of year	\$	113,115	84,094	1,074,390	436,046	1,707,645
Cost at end of year	\$	155,380	305,677	3,369,323	436,046	4,266,426
Accumulated depreciation		(42,265)	(221,583)	(2,294,933)	—	(2,558,781)
Net book value at end of year	\$	113,115	84,094	1,074,390	436,046	1,707,645

Construction in progress

Construction in progress includes costs incurred on property plant and equipment under construction before they are completed and converted into working condition. property machinery and equipment. The cost of individual assets are transferred from construction in progress when the assets are ready for use.

Impairment losses on property, machinery and equipment

In accordance with IAS 36: "Impairment of assets", management performed an impairment test on Property, Machinery and Equipment (PPE) and related assets of the Barbados subsidiary (ACCL) and recorded an impairment provision of \$63.9 million. The recoverable amount of \$58.6 million as at December 31, 2024 was based on the fair value. External professionals were engaged in January 2025 and conducted a valuation exercise to determine the fair value of the Group and its assets. The valuation was conducted by external, independent professionals having appropriate qualifications and experience in the location and assets valued. The valuator used the market approach to value real property (land) and the cost approach to value buildings and machinery and equipment. This valuation was used to measure the fair value of the PPE in Barbados at December 31, 2024.

In 2023, the Group performed a valuation of the property, machinery and equipment to ascertain the fair value less cost to sell. Consequently, the Group impaired \$18.9 million. The impairment losses was recorded in other income (expenses), net (note 6). The valuation consisted of applying certain generally accepted and internationally used valuation methodologies, adapted to the characteristics of the subject asset, as well as to the information available. The analysis was carried out applying generally accepted valuation procedures. The valuation includes the Cost Approach for the plant and Market Approach for the land. The Cost Approach and the Market Approach are categorised within level 2 of the fair value hierarchy and resulted in a total fair value less cost of disposal of \$249,291.

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(13) PROPERTY, MACHINERY AND EQUIPMENT, NET (continued)

	2023				
	Land and Mineral reserves	Building	Machinery and equipment	Construction in progress	Total
Cost at beginning of the period.....	\$ 145,465	338,460	3,598,222	229,581	4,311,728
Accumulated depreciation	(34,816)	(232,362)	(2,453,387)	—	(2,720,565)
Net book value at beginning of year	110,649	106,098	1,144,835	229,581	1,591,163
Capital expenditures	—	9,660	5,019	125,757	140,436
Disposals	(1,226)	(1,361)	(2,007)	—	(4,594)
Reclassifications	967	(716)	83,878	(84,129)	—
Depreciation for the year	(3,462)	(15,927)	(110,584)	—	(129,973)
Impairment losses on property, machinery and equipment	—	—	(17,265)	(2,144)	(19,409)
Foreign currency translation effects	(999)	(1,037)	(15,631)	(3,604)	(21,271)
Net book value at end of year	\$ 105,929	96,717	1,088,245	265,461	1,556,352
Cost at end of year	\$ 143,421	330,963	3,363,843	265,461	4,103,688
Accumulated depreciation	(37,492)	(234,246)	(2,275,598)	—	(2,547,336)
Net book value at end of year	\$ 105,929	96,717	1,088,245	265,461	1,556,352

Right of use assets included in property, machinery and equipment are disclosed in note 24.

(14) FINANCIAL INSTRUMENTS

(14.1) SHORT-TERM AND LONG-TERM DEBT

As of December 31, 2024 and 2023, the Group's consolidated debt summarised by interest rates and currencies, were as follows:

TYPE	2024			2023		
	Short-term	Long-term	Total	Short-term	Long-term	Total
USD floating rate debt	—	124,600	124,600	131,450	—	131,450
TTD floating rate debt	155,000	134,874	289,874	14,000	268,586	282,586
	155,000	259,474	414,474	145,450	268,586	414,036
Effective rate ¹						
USD floating rate debt	—%	7.66%		10.30%	—%	
TTD floating rate debt	5.18%	5.13%		3.67%	3.82%	

¹ In 2024 and 2023, the effective rate represents the weighted-average interest rate of the related debt agreements.

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(14) FINANCIAL INSTRUMENTS (continued)

(14.1) SHORT-TERM AND LONG-TERM DEBT (continued)

FACILITY	2024			2023		
	Short-term	Long-term	Total	Short-term	Long-term	Total
Related party loans						
Revolving loan facilities	\$ —	124,600	124,600	131,450	—	131,450
Bank loans						
Revolving loan facilities	\$ 20,000	—	20,000	14,000	—	14,000
Term loans	\$ 135,000	134,874	269,874	—	268,586	268,586
		155,000	289,874	14,000	268,586	282,586
	\$ 155,000	259,474	414,474	145,450	268,586	414,036

Changes in consolidated debt for the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Debt at beginning of year	\$ 414,036	437,130
Proceeds from debt	108,414	94,606
Debt repayments	(121,475)	(127,561)
Capitalised interest	12,122	9,386
Amortisation of loan fees	1,289	1,146
Foreign currency translation and accretion effects	88	(671)
Debt at end of year	\$ 414,474	414,036

The maturities of consolidated long-term debt as of December 31, 2024 and 2023, were as follows:

	2024	2023
2024	\$ —	145,450
2025	155,000	135,000
2026	134,874	133,586
2027	124,600	—
	\$ 414,474	414,036

(i) Related party loans (\$124.6 million)

On May 28, 2018 and April 25, 2021 the Group negotiated revolving facilities with a subsidiary of the ultimate parent. On June 30, 2023 the parties agreed that with effect from that date, the applicable benchmark rate for the calculation of interest under the loan agreement shall be the Secured Overnight Financing Rate (SOFR), therefore the principal shall bear interest at the following rates:

	Maximum available	Interest rate	Maturity date
Floating rate loan A	US\$ 52,000	SOFR 3M + 4.46% (effective rate 9.77%)	May 27, 2025
Floating rate loan B	US\$ 50,000	SOFR 6M + 3.38% (effective rate 7.66%)	Apr 25, 2027

Prepayments of principal for the related party facilities are allowed without penalty. As at December 31, 2024 there were undrawn facilities of USD 83,613 (2023: USD 82,575) with the in house bank. Interest payments on the current balance are payable semi-annually.

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(14) FINANCIAL INSTRUMENTS (continued)

(14.1) SHORT-TERM AND LONG-TERM DEBT (continued)

(ii) Bank loans (\$289.9 million)

On December 2, 2022 the Group negotiated three (3) 4-year loan facilities with the banks in Trinidad and Tobago. The terms of these loans are disclosed below:

	Maximum available	Interest rate	Maturity date
Term loan C	\$135,000	OMO ¹ 3m +290bps ² (effective rate 5.13%)	2 December 2026
Term loan D	\$67,500	OMO 3m +290bps (effective rate 5.13%)	2 December 2026
Term loan E	\$67,500	OMO 3m +290bps (effective rate 5.13%)	2 December 2026

On September 12, 2023, Trinidad Cement Limited and its subsidiaries ("the TCL Group") negotiated 2 revolving facilities with the banks in Trinidad and Tobago. The maximum maturity of any drawdown is six months.

	Maximum available	Interest rate	Maturity date
Revolving loan F	\$25,000	OMO 6m +275bps (effective rate 5.55%)	11 September 2026
Revolving loan G	\$25,000	OMO 6m +275bps (effective rate 5.55%)	11 September 2026

Prepayments of principal for the bank loans are allowed without penalty. As at December 31, 2024 there were undrawn facilities of TTD 30,000 with the banks.

¹ The abbreviation "OMO" refers to the Government of Trinidad and Tobago securities open market operation trading rate.

² The abbreviation "bps" means basis points. One hundred basis points equal 1%.

The loans from the Trinidad and Tobago banks all have similar restrictions and financial covenants which mainly include: a) the consolidated ratio of debt to Operating EBITDA (the "Leverage ratio"); and b) the consolidated ratio of Operating EBITDA to interest expense (the "Coverage ratio"). These financial ratios are calculated according to the formulas established in the debt contracts using the consolidated amounts under IFRS. The Group must comply with the following ratios for each quarter:

Interest coverage ratio	> = 3.00
Consolidated net debt to consolidated EBITDA	< = 3.75

At December 31, 2024 and 2023 the Group was compliant with all terms and covenants of loan agreements.

(14.2) OTHER FINANCIAL OBLIGATIONS

As of December 31, 2024 and 2023, other financial obligations in the consolidated statement of financial position are detailed as follows:

	2024			2023		
	Short-term	Long-term	Total	Short-term	Long-term	Total
IFRS 16 lease liabilities (note 24)..... \$	10,268	18,426	28,694	8,334	19,638	27,972

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(14) FINANCIAL INSTRUMENTS (continued)

(14.2) OTHER FINANCIAL OBLIGATIONS (continued)

Changes in consolidated IFRS 16 lease liabilities for the years ended December 31, 2024 and 2023, were as follows:

		2024	2023
Balance at beginning of year	\$	27,972	22,826
New leases		10,988	14,045
Unwinding of discount on lease liabilities (note 7)		2,945	1,995
Payment		(11,618)	(10,437)
Cancellations and remeasurements		(602)	(347)
Foreign currency translation and accretion effects		(991)	(110)
Balance at end of year	\$	28,694	27,972

(14.3) RECONCILIATION OF MOVEMENTS OF LIABILITIES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES

		2024			2023		
		Short-term and long-term debt	Other financial obligations	Total	Short-term and long-term debt	Other financial obligations	Total
Balance at beginning of year	\$	414,036	27,972	442,008	437,130	22,826	459,956
New long-term debt		108,414	—	108,414	94,606	—	94,606
Debt/Other financial liabilities repayments		(121,475)	(8,673)	(130,148)	(127,561)	(9,074)	(136,635)
Total changes from financing cash flows		(13,061)	(8,673)	(21,734)	(32,955)	(9,074)	(42,029)
New leases & non-cash flow increases in debt		—	10,988	10,988	—	14,045	14,045
Capitalised interest and unwinding of discount on lease liabilities (note 7)		12,122	2,945	15,067	9,386	1,995	11,381
Payment of lease liabilities (included in the net cash flows provided by financing activities)		—	(2,945)	(2,945)	—	(1,363)	(1,363)
Amortisation of loan fees		1,289	—	1,289	1,146	—	1,146
Cancellations and remeasurements		—	(602)	(602)	—	(347)	(347)
Foreign currency translation and accretion effects		88	(991)	(903)	(671)	(110)	(781)
Balance at end of year	\$	414,474	28,694	443,168	414,036	27,972	442,008

(14.4) FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial and monetary assets and liabilities

The carrying amounts of cash and cash equivalents, trade accounts receivable, other accounts receivable, taxation recoverable, trade payables, and other current liabilities, taxation payable as well as short-term debt and other financial obligations, approximate their corresponding estimated fair values due to the short-term maturity and revolving nature of these financial and monetary assets and liabilities.

The estimated fair value of the Group's long-term debt is level 2 and is either based on estimated market prices for such or similar instruments, considering interest rates currently available for the Group to negotiate debt with the same maturities, or determined by discounting future cash flows using market-based interest rates currently available to the Group. As of December 31, 2024 and 2023, the carrying amounts of fixed interest rate debt and their respective fair values were the same because institutions indicative rates quoted remained unchanged.

The fair value hierarchy determined by the Group for its derivative financial instruments are level 2. There is no direct measure for the risk of the Group or its counterparties in connection with the derivative instruments. Therefore, the risk factors applied for the Group's liabilities originated by the valuation of such derivatives were extrapolated from publicly available risk discounts for other public debt instruments of the Group and its counterparties.

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(14) FINANCIAL INSTRUMENTS (continued)

(14.4) FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

The estimated fair value of derivative instruments fluctuates over time and is determined by measuring the effect of future relevant economic variables according to the yield curves shown in the market as of the reporting date. These values should be analysed in relation to the fair values of the underlying transactions and as part of the Group's overall exposure attributable to fluctuations in interest rates and foreign exchange rates. The notional amounts of derivative instruments do not represent amounts of cash exchanged by the parties, and consequently, there is no direct measure of the Group's exposure to the use of these derivatives. The amounts exchanged are determined on the basis of the notional amounts and other terms included in the derivative instruments.

Fair value hierarchy

As of December 31, 2024 and 2023, liabilities or assets carried at fair value in the consolidated statements of financial position are included in the following fair value hierarchy categories:

		2024				2023			
		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value									
Derivative financial instruments	\$	—	—	—	—	—	4,122	—	4,122
Liabilities measured at fair value									
Derivative financial instruments	\$	—	1,551	—	1,551	—	—	—	—

(14.5) DERIVATIVE FINANCIAL INSTRUMENTS

During the reported periods, in compliance with the guidelines established by its Risk Management Committee, the restrictions set forth by its debt agreements and its hedging strategy, the Group held derivative instruments, with the objectives of changing the risk profile and fixing the price of fuels.

As of December 31, 2024 and 2023, the notional amounts and fair values of the Group's derivative instruments were as follows:

		2024		2023	
		Notional amount	Fair Value	Notional amount	Fair Value
Fuel price hedging	\$	(1,551)	(1,551)	4,122	4,122

At December 31, 2024, the aggregate notional amount of the contract resulted in a receivable of \$1,551 (US\$0.229 million) [2023: payable of \$4,122 (US\$0.609 million)], with an estimated aggregate fair value receivable of \$1,551 (US\$0.229 million) [2023: payable of \$4,122 (US\$0.609 million)]. The contract was designated as a cash flow hedge of diesel fuel consumption, and as such, changes in its fair value gain of \$5,621 (2023: loss of \$4,122) were recognised initially in other comprehensive income and were recycled to the income statement as the related diesel volumes are consumed.

(14.6) RISK MANAGEMENT

Enterprise risks may arise from any of the following situations: i) the potential change in the value of assets owned or reasonably anticipated to be owned, ii) the potential change in value of liabilities incurred or reasonably anticipated to be incurred, iii) the potential change in value of services provided, purchase or reasonably anticipated to be provided or purchased in the ordinary course of business, iv) the potential change in the value of assets, services, inputs, products or commodities owned, produced, manufactured, processed, merchandised, leased or sold or reasonably anticipated to be owned, produced, manufactured, processed, merchandised, leased or sold in the ordinary course of business, or v) any potential change in the value arising from interest rate or foreign exchange rate exposures arising from current or anticipated assets or liabilities.

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(14) FINANCIAL INSTRUMENTS (continued)

(14.6) RISK MANAGEMENT (continued)

In the ordinary course of business, the Group is exposed to commodities risk, including the exposure from inputs such as fuel, coal, petcoke, gypsum and other industrial materials which are commonly used by the Group in the production process, and expose the Group to variations in prices of the underlying commodities. To manage this and other risks, such as credit risk, interest rate risk, foreign exchange risk and liquidity risk, considering the guidelines set forth by the Board of Directors, which represent the Group's risk management framework and that are supervised by several Committees, the Group's management establishes specific policies that determine strategies oriented to obtain natural hedges to the extent possible, such as avoiding customer concentration on a determined market or aligning the currencies portfolio in which the Group incurred its debt, with those in which the Group generates its cash flows.

As of December 31, 2024 and 2023, these strategies are sometimes complemented with the use of derivative financial instruments as mentioned in note 14.5, such as the commodity forward contracts on fuels negotiated to fix the price of these underlying commodities.

The main risk categories are mentioned below:

(i) Credit risk

Credit risk is the risk of financial loss faced by the Group if a customer or counterparty to a financial instrument does not meet its contractual obligations and originates mainly from trade accounts receivable. As of December 31, 2024 and 2023, the maximum exposure to credit risk is represented by the balance of financial assets on the consolidated statement of financial position. Management has developed policies for the authorisation of credit to customers. Exposure to credit risk is monitored constantly according to the payment behaviour of debtors. Credit is assigned on a customer-by-customer basis and is subject to assessments which consider the customers' payment capacity, as well as past behaviour regarding due dates, balances past due and delinquent accounts. In cases deemed necessary, the Group's management requires guarantees from its customers and financial counterparties with regard to financial assets.

The Group's management has established a policy of low risk tolerance which analyses the creditworthiness of each new client individually before offering the general conditions of payment terms and delivery. The review includes external ratings, when references are available, and in some cases bank references. Thresholds of purchase limits are established for each client, which represent the maximum purchase amounts that require different levels of approval. Customers that do not meet the levels of solvency requirements imposed by the Group can only carry out transactions by paying cash in advance. As of December 31, 2024, considering the Group's best estimate of potential expected losses based on the ECL model developed by the Group (note 9), the allowance for doubtful accounts was \$15,151 (2023: \$16,040).

On December 31, 2024 the Group had no customers (2023: 5) respectively that owed the Group more than \$2 million each and which accounted for 30% of all trade accounts receivable in 2023.

The Group sells its products primarily to distributors and retailers in the construction industry. The Group manages its concentration risk by frequent and diligent reviews of its largest customers' operations to ensure that it remains economically viable and will be able to settle liabilities in a timely manner.

The aged receivable balances are regularly monitored. Allowances are determined upon origination of the trade accounts receivable and are based on a model that calculates the ECL of the trade accounts receivable and are recognised over their term. The Group estimates ECL on trade accounts receivable using a provision matrix based on historical credit loss experience as well as the credit risk and expected developments for each group of customers. The following table provides information about the ECL for trade accounts receivable as at December 31, 2024 and 2023.

(i) Credit risk (continued)

	2024			2023		
	Accounts receivable	ECL allowance	ECL average rate	Accounts receivable	ECL allowance	ECL average rate
0-30	\$ 43,278	(440)	(1)%	51,606	(500)	(1)%
31-60	617	(30)	(5)%	2,876	(67)	(2)%
61-90	135	(133)	(99)%	298	(163)	(55)%
91-180	134	(9)	(7)%	141	(72)	(51)%
181-270	—	—	—%	—	—	—%
271-360	—	—	—%	—	—	—%
Specific and over 360	14,539	(14,539)	(100)%	15,238	(15,238)	(100)%
	<u>\$ 58,703</u>	<u>(15,151)</u>	<u>(26)%</u>	<u>70,159</u>	<u>(16,040)</u>	<u>(23)%</u>

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(14) FINANCIAL INSTRUMENTS (continued)

(14.6) RISK MANAGEMENT (continued)

Credit risks from balances with banks and financial institutions which are reputable in the local markets, are managed in accordance with policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. Counterparty limits are reviewed by the Group's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Group's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through potential counterparty failure.

Credit risks from other financial assets mainly comprising loans to employees, value added tax refundable and due from related companies (subsidiaries of the ultimate parent) have been assessed as being very low. Loans to employees can be recovered from employee benefits not yet paid. Value added taxes are repayable by the taxation authorities. The credit risks of balances due from government departments designated as taxation authorities are assessed to be low. Due from related parties are unsecured and no provision has been established at year end for these balances. Related parties comprise CEMEX, S.A.B. de C.V. and its subsidiaries.

The settlement of related party transactions is managed by the treasury department of the CEMEX group based on clearly defined policies. These balances are due within 30 days of year end. Based to the effective administration of these policies we have assessed the credit risk of balances due from related companies is assessed to be low.

Cash and cash equivalents

The Group held cash and cash equivalents of \$472,527 (2023: \$236,172). The cash and cash equivalents are held with banks and financial institutions counterparties, which are rated BBB- to AA+ based on domestic and international ratings.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of counterparties.

The Group uses a similar approach for the assessment of expected credit losses for cash and cash equivalents to those used for debt securities.

No impairment is recorded as at December 31, 2024.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates, which only affects the Group's results if the fixed-rate long-term debt is measured at fair value. All of the Group's fixed-rate long-term debt is carried at amortised cost and therefore is not subject to interest rate risk. The Group's accounting exposure to the risk of changes in market interest rates relates primarily to its long-term debt obligations with floating interest rates, which, if such rates were to increase, may adversely affect its financing cost and the results for the period.

Nonetheless, it is not economically efficient to concentrate on fixed rates at a high point when the interest rates market expects a downward trend. That is, there is an opportunity cost for continuing to pay a determined fixed interest rate when the market rates have decreased and the entity may obtain improved interest rate conditions in a new loan or debt issuance. The Group manages its interest rate risk by balancing its exposure to fixed and variable rates while attempting to reduce its interest costs. In addition, when the interest rate of a debt instrument has turned relatively high as compared to current market rates, the Group intends to renegotiate the conditions or repurchase the debt, to the extent the net present value of the expected future benefits from the interest rate reduction would exceed the cost and commissions that would have to be paid in such renegotiation or repurchase of debt.

As of December 31, 2024 and 2023, approximately 100% was denominated in floating rates, if interest rates at that date had been 0.5% higher, with all other variables held constant, the Group's net income for 2024 would have increased/reduced by \$2,072 (2023: \$2,070), respectively, as a result of higher interest expense on variable-rate denominated debt.

		2024				2023			
		Effect on net income before tax		Effect on equity		Effect on net income before tax		Effect on equity	
		+0.5%	-0.5%	+0.5%	-0.5%	+0.5%	-0.5%	+0.5%	-0.5%
Amount	\$	(2,072)	2,072	(1,450)	1,450	(2,070)	2,070	(1,449)	1,449

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(14) FINANCIAL INSTRUMENTS (continued)

(14.6) RISK MANAGEMENT (continued)

(iii) Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to its operating activities. Due to its geographic diversification, the Group's revenues and costs are generated and settled in various countries and in different currencies. For the year ended December 31, 2024, approximately 33% (2023: \$28%) of the Group's net sales, after eliminations resulting from consolidation, were generated in Trinidad and Tobago, 54% (2023: \$54%) in Jamaica, 3% (2023: \$8%) in Barbados and 10% (2023: \$10%) in Guyana.

The following table demonstrates the sensitivity to a reasonably possible change in the exchange rates, with all other variables held constant, on earnings before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity:

	2024			2023		
	Increase/ decrease in US/Euro rate	Effect on earnings before taxation	Effect on equity	Increase/ decrease in US/Euro rate	Effect on earnings before taxation	Effect on equity
Dollars	+1%	532	373	+1%	21	15
	-1%	(532)	(372)	-1%	(21)	(15)
Euros	+1%	(3)	(2)	+1%	(2)	(1)
	-1%	3	2	-1%	2	1

As of December 31, 2024, approximately 30% (2023: 32%) of the Group's financial debt was USD denominated and 70% (2023: 68%) was TTD denominated. The denomination of financial debt is closely related to the amount of revenues generated in such currencies; therefore, the Group considers that the foreign currency risk related to these amounts of debt is low. Nonetheless, the Group cannot guarantee that it will generate sufficient revenues in USD, TTD and JMD from its operations to service these obligations.

As of December 31, 2024 and 2023, the Group had not implemented any derivative financing hedging strategy to address this foreign currency risk. Nonetheless, the Group may enter into derivative financing hedging strategies in the future if either of its debt portfolio currency mix, interest rate mix, market conditions and/or expectations changes.

As of December 31, 2024 and 2023, the Group's consolidated net monetary assets (liabilities) by currency were as follows:

2024	Trinidad and Tobago	Jamaica	Barbados	Guyana	Total
Monetary assets	\$ 71,593	384,336	26,128	65,685	547,742
Monetary liabilities	(613,066)	(283,873)	(7,870)	(23,410)	(928,219)
	\$ (541,473)	100,463	18,258	42,275	(380,477)
Out of which:					
USD	\$ (173,497)	224,211	22,234	(19,733)	53,215
TTD	(367,693)	—	—	—	(367,693)
Euros	(283)	—	—	—	(283)
JMD	—	(123,748)	—	—	(123,748)
Other currencies	—	—	(3,976)	62,008	58,032
	\$ (541,473)	100,463	18,258	42,275	(380,477)

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(14) FINANCIAL INSTRUMENTS (continued)

(14.6) RISK MANAGEMENT (continued)

(iii) Foreign currency risk (continued)

2023		Trinidad and Tobago	Jamaica	Barbados	Guyana	Total
Monetary assets	\$	61,073	191,003	44,231	21,154	317,461
Monetary liabilities		(555,537)	(170,244)	(9,683)	(29,375)	(764,839)
	\$	(494,464)	20,759	34,548	(8,221)	(447,378)
Out of which:						
USD	\$	(134,681)	126,976	36,052	(26,296)	2,051
TTD		(359,783)	—	—	—	(359,783)
Euros		—	—	(246)	—	(246)
JMD		—	(106,217)	—	23	(106,194)
Other currencies		—	—	(1,258)	18,052	16,794
	\$	(494,464)	20,759	34,548	(8,221)	(447,378)

(iv) Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business activities and maximise shareholder value. As at the reporting date, there were no externally imposed capital ratio requirements.

The Group manages its capital structure and makes adjustments, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payment to shareholders, return capital to shareholders or issue new shares.

(v) Liquidity risk

Liquidity risk is the risk that the Group will not have sufficient funds available to meet its obligations. In addition to cash flows provided by its operating activities, in order to meet the Group's overall liquidity needs for operations, servicing debt and funding capital expenditures, the Group relies on cost-cutting and operating improvements to optimise capacity utilisation and maximise profitability, as well as borrowing under credit facilities, proceeds of debt and equity offerings, and proceeds from asset sales. The Group is exposed to risks from changes in foreign currency exchange rates, prices and currency controls, interest rates, inflation, governmental spending, social instability and other political, economic and/or social developments in the countries in which it operates, any one of which may materially affect the Group's results and reduce cash from operations. The maturities of the Group's contractual obligations are included in note 14.1 and 23.

The Group has a reverse factoring arrangements with local banks with regard to supplier invoices. These reverse factoring arrangements enable the Group's suppliers to discount their receivables from the Company with the banks. From the Group's perspective, these arrangements do not change the payment terms or amounts of the discounted supplier invoices. This arrangement is offered to suppliers who may voluntarily enrol in the programme. The reverse factoring arrangements give rise to liquidity risk because the Group has concentrated \$181,499 (2023: \$77,848) of its trade payables liabilities with local banks rather than with a diverse group of suppliers. The Group may also obtain other sources of funding from these financial institutions providing the reverse factoring arrangement. If the Group were to encounter any difficulty in meeting its obligations, such a concentration would increase the risk that the entity might have to pay a significant amount, at one time, to one counterparty. Management has assessed that the Group is not reliant on extended payment terms and the Group's suppliers.

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(14) FINANCIAL INSTRUMENTS (continued)

(14.6) RISK MANAGEMENT (continued)

(v) Liquidity risk (continued)

The table below summarises the maturity profile of the Group's financial liabilities based on their undiscounted cash flows as at December 31. The balance includes principal and interest over the remaining term to maturity and therefore would differ from the carrying amounts shown in the consolidated statement of financial position.

2024	On demand	1 year	2 to 5 years	> 5 years	Total
Borrowings	\$ —	155,000	259,475	—	414,475
Interest and finance charges	—	12,047	4,390	—	16,437
Trade payables	—	439,350	—	—	439,350
Due to group companies	—	44,244	—	—	44,244
Sales and withholding tax payable	—	8,407	—	—	8,407
Advances from customer	—	25,786	—	—	25,786
Other financial obligations	196	6,715	20,631	1,515	29,057
	<u>\$ 196</u>	<u>691,549</u>	<u>284,496</u>	<u>1,515</u>	<u>977,756</u>

2023	On demand	1 year	2 to 5 years	> 5 years	Total
Borrowings	\$ —	148,367	292,510	—	440,877
Interest and finance charges	—	19,777	—	—	19,777
Trade payables	—	287,050	—	—	287,050
Due to group companies	—	34,939	—	—	34,939
Sales and withholding tax payable	—	9,610	—	—	9,610
Advances from customer	—	191,494	—	—	191,494
Other financial obligations	—	10,659	15,981	8,170	34,810
	<u>\$ —</u>	<u>701,896</u>	<u>308,491</u>	<u>8,170</u>	<u>1,018,557</u>

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(15) TRADE PAYABLES

As of December 31, 2024 and 2023, trade payables consisted of:

		2024	2023
Trade payables – reverse factoring arrangement	\$	181,499	77,848
Trade payables – directly payable to suppliers		257,851	209,202
	\$	<u>439,350</u>	<u>287,050</u>

Information about the Group's exposure to foreign currency and liquidity risk is included in note 14.6.

The Group participates in a reverse factoring arrangements under which its suppliers may elect to receive early payment of their invoices from participating banks by factoring their receivable from the Group. Under the arrangements, the banks agree to pay an amount to participating suppliers in respect of invoices owed by the Group and receive settlement from the Group at a later date. The principal purpose of this arrangement is to facilitate efficient payment processing and enable willing suppliers to sell their receivables due from the Group to the banks before their due date.

The Group has not derecognised the original liabilities to which the arrangement applies because neither a legal release was obtained nor was the original liability substantially modified on entering into the arrangement. From the Group's perspective, the arrangement does not significantly extend payment terms beyond the normal terms agreed with the suppliers that are not participating. The Group does not incur any additional interest towards the banks on the amounts due to the suppliers. The Group therefore discloses the amounts factored by suppliers within trade payables because the nature and function of the financial liability remain the same as those of other trade payables but discloses disaggregated amounts in the notes. All payables under the reverse factoring arrangement are classified as current as at December 31, 2024 and 2023.

The payments to the bank are included within operating cash flows because they continue to be part of the normal operating cycle of the Company and their principal nature remains operating.

Additional information about the Group's trade payables is provided in the table below.

	2024	2023
Carrying amount of financial liabilities	\$	
Presented within trade payables	181,499	77,848
of which suppliers have received payment from the bank	141,655	*
Range of payment due dates		
Trade payables subject to supplier finance arrangement (days after invoice date)	2-180 days	*
Comparable trade payables (days after invoice date)	1-120 days	*

Non-cash changes

There were no significant non-cash changes in the carrying amount of financial liabilities subject to subject to supplier finance arrangements

* The Group applied transitional relief available under Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7 and has not provided comparative information in the first year of adoption

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(16) PROVISIONS

As of December 31, 2024 and 2023, consolidated provisions were as follows:

		2024	2023
Rehabilitation provision	\$	6,152	5,227
Legal provisions		7,656	23,719
Restructuring provision		9,217	—
Royalties provision		8,642	6,439
	\$	31,667	35,385
Non-current provisions	\$	4,666	3,693
Current provisions		27,001	31,692
	\$	31,667	35,385

Restructuring provision comprises handling and disposal costs of inventory items written off in Barbados. This cost is expected to be incurred during 2025.

The movements in the consolidated provision during 2024 and 2023 were as follows:

		2024	2023
Balance at beginning of period	\$	35,385	63,800
Additions or increases in estimates		13,576	2,002
Decreases in estimates and reversals of unused amounts		(17,836)	(1,039)
(Credited)/Charged to the income statement		(4,260)	963
Payments		(16)	(30,213)
Unwinding of discount on rehabilitation provision		577	970
Foreign currency translation		(19)	(135)
Balance at end of year	\$	31,667	35,385

The rehabilitation provision is disclosed in the statement of consolidated financial position under the following captions:

		2024	2023
Other current liabilities	\$	1,488	1,534
Other non-current liabilities		4,664	3,693
	\$	6,152	5,227

Legal provision

The legal provision comprises amounts for various pending and settled claims and assessments.

Royalties provision

In the regulatory environment of Trinidad and Tobago, the Group has continued to experience protracted processing times for the issuance of mining licences. At the time of issuing these financial statements, a mining licence has not been issued by the Government in response to the Group's application. Management assesses that the possibility of disruption to its operations resulting from this scenario to be remote. The royalties provision relates to the probable amount with respect to obligations to the Government for mining activities.

Restoration provision

The Group is required to restore the quarries in Trinidad and Tobago and Jamaica by law.

For the purpose of calculating the provision, it is estimated that the quarrying operations in Trinidad and Tobago will come to an end in 2041.

The expected completion time of rehabilitation in Jamaica is based on the planned activity for each of the quarries, which ranges between two to nine years.

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(17) OTHER CURRENT LIABILITIES AND NON-CURRENT LIABILITIES

As of December 31, 2024 and 2023, consolidated other current liabilities were as follows:

	2024	2023
Accrued personnel costs	\$ 110,171	84,998
Accrued supplies	74,510	95,893
Due to group companies	44,244	34,939
Advances from customers	25,786	18,972
Other accounts payable and accrued expenses	18,865	10,603
Sales and withholding tax payable	8,407	9,610
Interest payable	1,428	805
	\$ 283,411	255,820

The Group performs its contract obligations within each operating cycle and therefore advances from customers are included in revenue during the following financial period as goods and services are provided to customers.

(18) PENSIONS AND POST-EMPLOYMENT BENEFITS

Defined contribution pension plans

The Group participates in a defined contribution pension plan which is managed by an independent party. This plan is mandatory for all categories of permanent employees of CCCL and its subsidiaries. Contributions are 10% of pensionable salary for both employee and employer. The amount of annual pension at any date shall be that pension which can be secured by the accumulated contribution plus interest to that date. The Group's contributions in the year amounted to \$3,297 (2023: \$2,451).

Defined benefit pension plans

The plans expose the Group to currency, interest rate, market risks and actuarial risks such as longevity.

The Trinidad Cement Limited Employees' Pension Fund Plan, a defined benefit plan, is sectionalised for funding purposes into two segments (2021: three segments) to provide retirement pensions to the retirees of Trinidad Cement Limited ("TCL") and Readymix (West Indies) Limited ("RML"). Another pension plan, resident in Barbados, covers the employees of Arawak Cement Company Limited ("ACCL").

The Parent Company's employees and employees of RML are members of the Trinidad Cement Limited Employees' Pension Fund Plan (the Plan). This is a defined benefit pension plan which provides pensions related to employees' length of service and basic earnings at retirement. The Plan's financial funding position is assessed by means of triennial actuarial valuations carried out by an independent professional actuary. The Actuarial Valuation report (the Report) as at December 31, 2021 revealed that the TCL section was in surplus by \$9,757 and the RML section by \$9,191. The next triennial actuarial valuation is due as at December 31, 2024.

The 2021 report recommended service contribution rates for TCL and RML as a percentage of salaries of 10%.

Projected benefit obligations were computed by qualified actuaries using the projected unit credit method to determine the present value of defined benefit obligations for the years ended December 31, 2024 and 2023.

The Group offers post-retirement medical benefits to retirees of TCL and the CCCL group whereby the Group pays premiums for medical health insurance policies for retired employees and their spouses.

Actuarial results related to pension and other post-retirement benefits are recognised in earnings and/or in OCI for the period in which they are generated, as appropriate. For the years ended December 31, 2024 and 2023, the effects of pension plans and other post-employment benefits are summarised as follows:

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(18) PENSIONS AND POST-EMPLOYMENT BENEFITS (continued)

Defined benefit pension plans (continued)

	Pensions		Other benefits		Total	
	2024	2023	2024	2023	2024	2023
Net period cost (income):						
Recorded in operating costs and expenses						
Service cost and admin fees	\$ 13,714	11,945	4,985	5,067	18,699	17,012
	\$ 13,714	11,945	4,985	5,067	18,699	17,012
Recorded in other financial expenses						
Net interest cost	\$ (205)	(1,847)	11,936	13,572	11,731	11,725
Recorded in other comprehensive income						
Return on recognized plan assets	\$ 14,670	(6,359)	—	—	14,670	(6,359)
Actuarial (gains) losses for the period	(23,752)	7,336	(14,524)	(20,768)	(38,276)	(13,432)
Movement in the asset ceiling	(317)	2,736	—	—	(317)	2,736
	\$ (9,399)	3,713	(14,524)	(20,768)	(23,923)	(17,055)
	4,110	13,811	2,397	(2,129)	6,507	11,682

For the years 2024 and 2023, actuarial (gains) losses for the period were generated by the following main factors as follows:

	Pensions		Other benefits		Total	
	2024	2023	2024	2023	2024	2023
Actuarial (gains) losses due to experience	\$ 1,023	7,336	(19,345)	(32,445)	(18,322)	(25,109)
Actuarial (gains) losses due to demographic assumptions	—	—	—	—	—	—
Actuarial (gains) losses due financial assumptions	(24,775)	—	4,821	11,677	(19,954)	11,677
	\$ (23,752)	7,336	(14,524)	(20,768)	(38,276)	(13,432)

As of December 31, 2024 and 2023, the reconciliation of the actuarial benefit obligation and pension plan assets is presented as follows:

	Pensions		Other benefits		Total	
	2024	2023	2024	2023	2024	2023
Change in benefit obligation:						
Projected benefit obligation at beginning of the period	\$ (904,656)	(881,607)	(169,741)	(180,390)	(1,074,397)	(1,061,997)
Service cost	(12,930)	(11,675)	(4,985)	(5,067)	(17,915)	(16,742)
Interest cost	(54,042)	(52,627)	(11,936)	(13,572)	(65,978)	(66,199)
Actuarial (gains) losses	23,752	(7,336)	14,524	20,768	38,276	13,432
Employee contributions	(3,379)	(3,550)	—	—	(3,379)	(3,550)
Benefits paid	52,855	52,139	7,445	7,667	60,300	59,806
Foreign currency translation	26	—	229	853	255	853
Projected benefit obligation at end of the period	\$ (898,374)	(904,656)	(164,464)	(169,741)	(1,062,838)	(1,074,397)

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(18) PENSIONS AND POST-EMPLOYMENT BENEFITS (continued)

Defined benefit pension plans (continued)

	Pensions		Other benefits		Total	
	2024	2023	2024	2023	2024	2023
Change in plan assets:						
Fair value of plan assets at beginning of the period	\$ 953,382	939,832	—	—	953,382	939,832
Administrative costs	(752)	(270)	—	—	(752)	(270)
Interest income	56,176	54,474	—	—	56,176	54,474
Return on plan assets	(14,626)	2,911	—	—	(14,626)	2,911
Employee contributions	3,329	3,550	—	—	3,329	3,550
Employer contributions	5,745	5,071	—	—	5,745	5,071
Benefits paid	(52,855)	(52,139)	—	—	(52,855)	(52,139)
Foreign currency translation	112	(47)	—	—	112	(47)
Fair value of plan assets at end of the period	\$ 950,511	953,382	—	—	950,511	953,382
Funded status at end of year	52,137	48,786	(164,464)	(169,741)	(112,327)	(120,955)
Effect of Asset Ceiling	(25,366)	(23,683)	—	—	(25,366)	(23,683)
Net projected asset (liability) in the consolidated statement of	\$ 26,771	25,103	(164,464)	(169,741)	(137,693)	(144,638)

Employee benefits are disclosed in the consolidated statement of financial position under the following captions:

	2024	2023
Non-current assets	\$ 26,771	25,103
Non-current liabilities	(164,464)	(169,741)
	\$ (137,693)	(144,638)

As of December 31, 2024 and 2023, the major categories of plan assets of the fair value of the total plan assets are, as follows:

	2024				2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Cash	\$ 11,101	—	—	11,101	21,886	—	—	21,886
Equities	499,583	—	—	499,583	478,606	—	—	478,606
Bonds	—	438,842	—	438,842	—	451,502	—	451,502
Mortgages	—	—	985	985	—	—	1,388	1,388
Total plan assets	\$ 510,684	438,842	985	950,511	500,492	451,502	1,388	953,382

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(18) PENSIONS AND POST-EMPLOYMENT BENEFITS (continued)

The most significant assumptions used in the determination of the benefit obligation were as follows:

	2024			2023		
	Trinidad and Tobago	Jamaica	Barbados	Trinidad and Tobago	Jamaica	Barbados
	%	%	%	%	%	%
Discount rates	6.25	9.00	8.30	6.00	11.00	8.30
Rate of return on plan assets	6.28	—	8.30	6.50	—	8.30
Rate of salary increases	4.50	—	4.80	4.50	—	4.80
Future medical premium increases	5.00	8.00	—	5.00	9.00	—
	Years	Years	Years	Years	Years	Years
Post retirement mortality for retirees at age 60: Male	22.00	—	—	21.90	—	—
Post retirement mortality for retirees at age 60: Female	26.20	—	—	26.10	—	—

In Jamaica post-employment mortality for active members and mortality for pensioners is based on the 1994 Group Annuity Mortality Tables (GAM 94 table) (U.S. mortality tables) with no age setback. In Barbados post-employment mortality for active members and mortality for pensioners is based on 1994 Uninsured Pensioner Generational Tables with Projection Scale AA. In Trinidad and Tobago, assumptions regarding future mortality are based on published mortality tables.

The Group expects to contribute \$12,892 to its pension and other post-retirement benefits in 2025.

As of December 31, 2024 and 2023, the aggregate projected benefit obligation (“PBO”) for pension plans and other post-employment benefits and the plan assets by country were as follows:

	2024			2023		
	PBO	Assets	(Deficit)/ Surplus	PBO	Assets	(Deficit)/ Surplus
Trinidad and Tobago	(989,526)	893,898	(95,628)	(1,010,943)	898,337	(112,606)
Jamaica	(46,600)	—	(46,600)	(35,766)	—	(35,766)
Barbados	(26,706)	56,613	29,907	(27,628)	55,045	27,417
	(1,062,832)	950,511	(112,321)	(1,074,337)	953,382	(120,955)

Sensitivity analysis of pension and other post-employment benefits during the reported periods

For the year ended December 31, 2024, the Group performed sensitivity analyses on the most significant assumptions that affect the PBO, considering reasonable independent changes of plus or minus 50 basis points in each of these assumptions. The increase (decrease) that would have resulted in the PBO of pensions and other post-employment benefits as of December 31, 2024, are shown below:

Assumptions:	Pensions		Other benefits		Total	
	+50 bps	-50 bps	+50 bps	-50 bps	+50 bps	-50 bps
Discount rate sensitivity	\$ (47,469)	52,453	(11,678)	13,564	(59,147)	66,017
Salary increase rate sensitivity	11,964	(11,354)	—	—	11,964	(11,354)
Future medical premium increases sensitivity	—	—	13,619	(11,891)	13,619	(11,891)

Assumptions:	Pensions		Other benefits		Total	
	+1 year	+1 year	+1 year	+1 year	+1 year	+1 year
Life expectancy of pensioners	\$ 13,324	5,997	13,324	5,997	13,324	5,997

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(19) TAXATION

(19.1) TAXATION FOR THE PERIOD

The amounts of taxation expense in the consolidated income statement for 2024 and 2023 are summarised as follows:

	2024	2023
Current taxation expense	\$ 72,106	66,015
Deferred taxation expense	(19,984)	11,011
	<u>\$ 52,122</u>	<u>77,026</u>

(19.2) DEFERRED TAXATION

As of December 31, 2024 and 2023, the main temporary differences that generated the consolidated deferred taxation assets and liabilities are presented below:

	2024	2023
Deferred taxation assets:		
Tax loss carryforwards and other tax credits	\$ 46,362	8,005
Trade payables and other liabilities	52,924	40,825
Other post-retirement benefits	47,002	45,345
Total deferred taxation assets, net	<u>\$ 146,288</u>	<u>94,175</u>
Deferred taxation liabilities:		
Property, machinery and equipment	\$ (227,604)	(196,344)
Others	(17,023)	(13,764)
Total deferred taxation liabilities, net	<u>\$ (244,627)</u>	<u>(210,108)</u>
Net deferred taxation liabilities	<u>\$ (98,339)</u>	<u>(115,933)</u>

Net deferred tax assets (liabilities) by reportable segment for the years ended December 31, 2024 and 2023 were as follows:

	2024	2023
Trinidad and Tobago	\$ 27,859	788
Jamaica	(126,198)	(116,721)
	<u>\$ (98,339)</u>	<u>(115,933)</u>

Movements in consolidated deferred taxation during 2024 and 2023 were as follows:

	2024	2023
Balance as of January 1	\$ (115,933)	(102,446)
Deferred taxation credited (charged) to the income statement	19,984	(11,011)
Deferred taxation charged to other comprehensive income	(7,309)	(4,577)
Foreign currency translation	4,919	2,101
Balance as of December 31	<u>\$ (98,339)</u>	<u>(115,933)</u>

Deferred taxation relative to items of other comprehensive income during 2024 and 2023 were as follows:

	2024	2023
Taxation effects relative to actuarial gains	\$ (7,309)	(4,577)
	<u>\$ (7,309)</u>	<u>(4,577)</u>

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(19) TAXATION (continued)

(19.2) DEFERRED TAXATION (continued)

Changes in deferred taxation recognised in the group income statement during 2024 and 2023 were as follows:

		2024	2023
Tax loss carryforwards and other tax credits	\$	(38,357)	7,123
Trade payables and other liabilities		(12,099)	(2,243)
Other post-retirement benefits		(6,451)	(923)
Property, machinery and equipment		31,260	7,817
Others		5,663	(763)
Total movements in deferred tax assets and liabilities recognised in the consolidated income statement ..	\$	(19,984)	11,011

For the recognition of deferred taxation assets, the Group analyses the aggregate amount of self-determined tax loss carryforwards included in its income tax returns in each country where the Group believes, based on available evidence, that the tax authorities would not reject such tax loss carryforwards; and the likelihood of the recoverability of such tax loss carryforwards prior to their expiration through an analysis of estimated future taxable income. If the Group believes that it is probable that the tax authorities would reject a self-determined deferred taxation asset, it would decrease such an asset. Likewise, if the Group believes that it would not be able to use a tax loss carryforward before its expiration or any other tax asset, the Group would not recognise such an asset. Both situations would result in additional income tax expense for the period in which such a determination is made. With the objective to determine whether it is probable that deferred taxation assets will ultimately be realised, the Group takes into consideration all available positive and negative evidence, including factors such as market conditions, industry analysis, expansion plans, projected taxable income, carryforward periods, current tax structure, potential changes or adjustments in tax structure, tax planning strategies and future reversals of existing temporary differences. In addition, every reporting period, the Group analyses its actual results versus its estimates, and adjusts, as necessary, its tax asset valuations. If actual results vary from the Group's estimates, the deferred taxation asset may be affected, and necessary adjustments will be made based on relevant information. Any adjustments recorded will affect the Group's consolidated income statement in such a period.

As of December 31, 2024 and 2023, consolidated tax loss and tax credits carryforwards expire as follows:

		2024				2023		
		Total	Unrecognised	Recognised		Total	Unrecognised	Recognised
2024	\$	—	—	—	\$	122,800	122,800	—
2025		101,003	101,003	—		100,866	100,866	—
2026		46,640	46,640	—		47,039	47,039	—
2027		8,875	8,875	—		8,863	8,863	—
2028		26,536	26,536	—		26,500	26,500	—
2029		51,753	51,753	—		51,683	51,683	—
2030 and thereafter		783,583	628,481	155,101		803,533	776,574	26,959
	\$	1,018,390	863,288	155,101	\$	1,161,284	1,134,325	26,959

As at December 31, 2024, a deferred taxation asset of \$177 million (2023: \$334 million) in relation to tax losses available for reducing future tax payments was not recognised in the consolidated statement of financial position given a level of uncertainty regarding their utilization within a reasonable time.

In Trinidad and Tobago, the Group has tax losses of \$690.0 million (2023: \$722 million) available for set off against future taxable profits.

These losses do not expire. Tax returns are subject to audit by the Board of Island Revenue ("BIR") within six years of being filed with the BIR.

In Guyana, \$24.4 million of tax losses (2023: \$28.9 million) are available for set off against future taxable profits. These losses do not expire.

In Barbados, \$300 million of tax losses (2023: \$406.4 million) are available for set off against future taxable profits. These tax losses expire over a 7-year period ending in 2031.

In Jamaica, \$3.9 million of tax losses are available for set off against future taxable profits. These tax losses do not expire.

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(19) TAXATION (continued)

(19.3) RECONCILIATION OF EFFECTIVE TAXATION RATE

		2024	2023
Earnings before taxation	\$	268,539	247,219
Taxation charge		(52,122)	(77,026)
Effective consolidated income tax rate ¹		(19)%	(32)%

¹ The average effective tax rate equals the net amount of income tax revenue or expense divided by income or loss before income taxes, as these line items are reported in the consolidated income statement.

Differences between the financial reporting and the corresponding tax basis of assets and liabilities and the different tax rates and laws applicable to the Group, among other factors, give rise to permanent differences between the statutory tax rate applicable in Trinidad and Tobago, and the effective tax rate presented in the consolidated income statement, which in 2024 and 2023 were as follows:

	2024		2023	
	%	\$	%	\$
Tax using the Company's domestic tax rate	30.0 %	80,562	30.0 %	73,951
Effect of tax rates in foreign jurisdictions	(1.8)%	(4,879)	(6.0)%	(15,964)
Tax effect of non-deductible expenses	0.5 %	1,373	12.0 %	29,220
Tax effect of non-taxable income	(1.8)%	(4,814)	(5.0)%	(11,536)
Tax incentives	(0.1)%	(250)	— %	(673)
Revenue tax business and green fund levies	1.4 %	3,649	— %	389
Withholding tax on management fee income	0.4 %	1,105	2.0 %	4,081
Derecognition (recognition) of deferred tax asset in relation to tax losses	(7.7)%	(20,702)	1.0 %	1,867
Employment tax credit effect	(1.7)%	(4,549)	(3.0)%	(6,979)
Changes in estimate related to prior year	0.2 %	627	1.0 %	2,670
Effective consolidated tax rate	19.4 %	52,122	32.0 %	77,026

(19.4) UNCERTAIN TAX POSITIONS AND SIGNIFICANT TAX PROCEEDINGS

Uncertain tax positions

Significant tax proceedings

The Group's significant tax proceedings are detailed in note 21.1.

Trinidad and Tobago Free Zones Act

The Group pursued negotiations with one of its stakeholders regarding the renegotiation of its contract under the Trinidad and Tobago Free Zones Act. This stakeholder indicated that they were unable to renegotiate under the legislation existing at that time. Management, with the confirmation of independent legal advice, assessed the possibility of disruption to its operations pending the implementation of legislative changes to be remote.

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(20) SHAREHOLDERS' EQUITY

(20.1) STATED CAPITAL

As of December 31, 2024 and 2023, the breakdown of stated capital was as follows:

Authorised

An unlimited number of ordinary and preference shares of no par value

	2024	2023
Issued and fully paid		
374,647,704 ordinary shares of no par value.....	\$ 827,732	827,732

All ordinary shares rank equally with regard to the Company's assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

(20.2) UNALLOCATED ESOP SHARES

	Thousands of shares	
	2024	2023
Employee share ownership plan		
Number of shares held - unallocated	2,845	2,845
Number of shares held - allocated	3,447	3,447
	\$ 6,292	6,292
Cost of unallocated ESOP shares	\$ 20,019	20,019
Fair value of shares held - unallocated	\$ 7,113	8,848
Fair value of shares held - allocated	8,618	10,720
	\$ 15,731	19,568
Charge to the consolidated income statement for provision of shares allocated to employees.....	\$ —	—

The Company operates an Employee Share Ownership Plan ("ESOP") to give effect to a contractual obligation to pay profit sharing bonuses to employees via shares of the Company based on a set formula. Employees may acquire additional company shares to be held in trust by the Trustees, but the costs of such purchases are for the employee's account. All permanent employees of the Company and certain subsidiaries are eligible to participate in the ESOP that is directed, including the voting of shares, by a management committee comprising management of the Company and the general employee membership. Independent trustees are engaged to hold in trust all shares in the ESOP as well as to carry out the necessary administrative functions.

Shares acquired by the ESOP are funded by the Company's contributions. The cost of the shares so acquired, and which remain unallocated to employees have been recognised in shareholders' equity under 'Unallocated ESOP Shares'. The fair value of shares was derived from the closing market price prevailing on the Trinidad and Tobago Stock Exchange at the reporting date.

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(20.3) OTHER EQUITY RESERVES

As of December 31, 2024 and 2023, other equity reserves are summarised as follows:

	2024	2023
At beginning of period.....	\$ (334,318)	(313,888)
Other comprehensive loss:		
Currency translation	(6,961)	(17,351)
Change in fair value of cash flow hedge	4,165	(3,079)
	\$ (2,796)	(20,430)
	\$ (337,114)	(334,318)

(i) Foreign currency translation account

This reserve records exchange differences arising from the translation of the consolidated financial statements of foreign subsidiaries.

(ii) Hedging reserve

This account records the effective portion of the valuation and liquidation effects from derivative instruments under cash flow hedging relationships, which are recorded temporarily in shareholders' equity.

Up to December 31, 2024, the Group maintained a forward contract negotiated with CEMEX S.A.B. de C.V. to hedge the price of diesel fuel with the objective of changing the risk profile and fixing the price of fuel.

(20.4) RESERVES - OCI MOVEMENTS

	Hedging Reserve	Foreign Currency Translation Account	Retained Earnings	Total
2024				
Currency translation.....	\$ —	(9,427)	—	(9,427)
Change in fair value of cash flow hedge	5,621	—	—	5,621
Remeasurement gains on pension plans and other post-retirement benefits	—	—	16,614	16,614
Change in fair value of equity investments at fair value through other comprehensive income.....	—	—	—	—
	\$ 5,621	(9,427)	16,614	12,808
2023				
Currency translation.....	\$ —	(22,162)	—	(22,162)
Change in fair value of cash flow hedge	(4,155)	—	—	(4,155)
Remeasurement gains on pension plans and other post-retirement benefits	—	—	12,478	12,478
Change in fair value of equity investments at fair value through other comprehensive income.....	—	—	(1)	(1)
	\$ (4,155)	(22,162)	12,477	(13,840)

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(20) SHAREHOLDERS' EQUITY (continued)

(20.5) NON-CONTROLLING INTEREST

Material Partly Owned Subsidiaries - (Non-Controlling Interests)

The financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of equity held by non-controlling interests:

Name	Country of Incorporation and Operation	2024	2023
Caribbean Cement Company Limited (Group)	Jamaica	25.9%	25.9%
Readymix (West Indies) Limited	Trinidad and Tobago	1.62%	1.67%

	2024	2023
Accumulated balances of material non-controlling interests		
Caribbean Cement Company Limited (Group)	\$ 246,653	202,062
Readymix (West Indies) Limited	1,328	649
	<u>\$ 247,981</u>	<u>202,711</u>

During the 2024 the Group continued its voluntary winding up of TCL Packaging Limited and liquidated the shareholding of the non-controlling interest.

	2024	2023
Carrying amount of non controlling interest acquired	\$ —	13,657
Consideration paid to non controlling interest	—	(10,565)
An increase in equity attributable to ownerws of the Company	<u>\$ —</u>	<u>3,092</u>

The increase in equity attributable to owners of the Company comprised an increase in retained earnings of \$— (2023: \$3,092). These transactions with owners was recognised on the statement of changes in equity and not in the consolidated income statement nor in the consolidated statement of comprehensive income.

	2024	2023
Net income (loss) allocated to material non-controlling interests		
Caribbean Cement Company Limited (Group)	\$ 66,344	63,075
Readymix (West Indies) Limited	159	(13)
TCL Packaging Limited	—	36
	<u>\$ 66,503</u>	<u>63,098</u>

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(20) SHAREHOLDERS' EQUITY (continued)

(20.5) NON-CONTROLLING INTEREST (continued)

The summarised financial information of these subsidiaries is provided below. This information is based on amounts before inter-company eliminations.

Summarised income statement for 2024:

	Caribbean Cement Company Limited	Readymix (West Indies) Limited
Revenue	\$ 1,202,939	86,340
Cost of sales	(703,573)	(75,223)
Operating expenses	(131,257)	(8,333)
Other expenses, net	(39,000)	15,019
Financial expenses, net	5,208	531
Earnings before taxation	334,317	18,334
Taxation charge	(78,309)	(8,493)
Net earnings from continuing operations	\$ 256,008	9,841
Total comprehensive income (loss)	\$ 243,803	1,617
Non-controlling interest	\$ 63,145	679

Summarised income statement for 2023:

	Caribbean Cement Company Limited	Readymix (West Indies) Limited
Revenue	\$ 1,214,276	78,794
Cost of sales	(719,019)	(69,847)
Operating expenses	(126,346)	(9,170)
Other expenses, net	(44,757)	(2,149)
Financial expenses, net	(7,224)	1,873
Earnings before taxation	316,930	(499)
Taxation charge	(73,333)	(75)
Net earnings from continuing operations	\$ 243,597	(574)
Total comprehensive income (loss)	\$ 158,336	(1,047)
Non-controlling interest	\$ 41,009	(485)

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(20) SHAREHOLDERS' EQUITY (continued)

(20.5) NON-CONTROLLING INTEREST (continued)

Summarised statement of financial position as at December 31, 2024:

	Caribbean Cement Company Limited (Group)	Readymix (West Indies) Limited
Inventories, cash and bank balances and other current assets	\$ 571,565	60,825
Property, machinery and equipment and other non-current assets	1,189,723	71,705
Trade and other payables and other current liabilities	(363,399)	(36,348)
Interest bearing loans, borrowings and deferred tax and other non-current liabilities	(201,415)	(14,075)
Total equity	<u>1,196,474</u>	<u>82,107</u>
Attributable to:		
Equity holders of parent	949,821	80,779
Non-controlling interests	246,653	1,328
	<u>\$ 1,196,474</u>	<u>82,107</u>

Summarised statement of financial position as at December 31, 2023:

	Caribbean Cement Company Limited (Group)	Readymix (West Indies) Limited
Inventories, cash and bank balances and other current assets	\$ 424,520	60,586
Property, machinery and equipment and other non-current assets	1,013,055	69,121
Trade and other payables and other current liabilities	(234,360)	(52,594)
Interest bearing loans, borrowings and deferred tax and other non-current liabilities	(180,575)	(10,576)
Total equity	<u>1,022,640</u>	<u>66,537</u>
Attributable to:		
Equity holders of parent	820,578	66,158
Non-controlling interests	202,062	649
	<u>\$ 1,022,640</u>	<u>66,807</u>

Summarised cash flow information for the year ended December 31, 2024:

	Caribbean Cement Company Limited (Group)	Readymix (West Indies) Limited
Operating	\$ 519,389	491
Investing	(249,585)	(2,981)
Financing	(75,934)	(349)
	<u>\$ 193,870</u>	<u>(2,839)</u>

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(20) SHAREHOLDERS' EQUITY (continued)

(20.5) NON-CONTROLLING INTEREST (continued)

Summarised cash flow information for the year ended December 31, 2023:

	Caribbean Cement Company Limited (Group)	Readymix (West Indies) Limited
Operating	\$ 328,851	9,706
Investing	(76,575)	(5,296)
Financing	(101,765)	(622)
	<u>\$ 150,511</u>	<u>3,788</u>

(20.6) DIVIDENDS

	2024	2023
2024: 8c per share (2023: 0c)	\$ 29,972	—

During 2024, the Parent Company declared and paid a dividend of \$29,972 (2023: Nil).

During 2024, Caribbean Cement Company Limited paid dividends to non-controlling interest of \$18,554 (2023: \$18,333).

(21) EARNING PER SHARE

Basic earnings per share is calculated by dividing net income attributable to ordinary equity holders of the Company (the numerator) by the weighted-average number of shares outstanding (the denominator) during the period. The balance of the TCL Employee Share Ownership Plan (ESOP) relating to the cost of unallocated shares held by the ESOP is presented as a separate component in equity. The weighted average number of unallocated shares held by the ESOP during the year is deducted in computing the weighted average number of ordinary shares in issue. The Group has no dilutive potential ordinary shares in issue.

The amounts considered for calculations of earnings per share in 2024 and 2023 were as follows:

	2024	2023
Denominator (thousands of shares)		
Weighted-average number of shares outstanding	\$ 374,648	374,648
Weighted average number of unallocated shares held by the ESOP	(2,845)	(2,845)
Weighted-average number of shares	<u>\$ 371,803</u>	<u>371,803</u>
Numerator		
Net earnings from continuing operations	\$ 216,417	170,193
Less: non-controlling interest net income	66,503	63,098
Controlling interest net loss from continuing operations	<u>\$ 149,914</u>	<u>107,095</u>
Controlling interest net loss from continuing operations – for basic earnings per share calculations	\$ 149,914	107,095
Controlling interest net loss from continuing operations – for diluted earnings per share calculations	\$ 149,914	107,095
Net income from discontinued operations	—	—
Basic and diluted earnings per share		
Controlling interest basic earnings per share	0.4032	0.2880
Controlling interest basic earnings per share from continuing operations	<u>0.4032</u>	<u>0.2880</u>

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(22) COMMITMENTS

(22.1) GUARANTEES AND PLEDGED ASSETS

On April 26, 2017, Trinidad Cement Limited repaid the Amended and Restated Credit Agreement loan (“5-yr syndicated loan”) with the proceeds of a revolving loan from a related party. Therefore, the Group’s assets which were pledged as security are expected to be released once the discharge instruments are lodged at the relevant government agency.

(22.2) OTHER COMMITMENTS

The Group had contractual capital commitments of \$134,230 as at December 31, 2024 (2023: \$29,100).

The Group has the following contractual obligation to purchase fuel of \$89,380 as at December 31, 2024 (2023: 86,061)

(23) LEGAL PROCEEDINGS

(23.1) CONTINGENCIES FROM LEGAL PROCEEDINGS

The Group is involved in various legal proceedings, which have not required the recognition of accruals, considering that the probability of loss is less than probable or remote. In certain cases, a negative resolution may represent a decrease in future revenues, an increase in operating costs or a loss. Nonetheless, until all stages in the procedures are exhausted in each proceeding, the Group cannot assure the achievement of a final favourable resolution. There are contingent liabilities which have not been recognised amounting to \$12,799 (2023:\$23,100) for various claims, assessments, bank guarantees and bonds against the Group. Included therein, are primarily industrial relations matters which are currently occupying the attention of the industrial court, pending legal actions and other claims in which the Group is involved. Based on the information provided by the Group's attorneys at law, owing to the uncertainty of the outcome of these possible liabilities, no provision has been made in these consolidated financial statements in respect of these matters.

Trinidad and Tobago Free Zones Act

The Group has been pursuing negotiations with one of its stakeholders regarding the renegotiation of its contract under the Trinidad and Tobago Free Zones Act. This stakeholder has indicated that they are unable to renegotiate under the existing legislation. Management, with the confirmation of independent legal advice, assesses the possibility of disruption to its operations pending the implementation of legislative changes to be remote.

Guyana Taxation

The subsidiary in Guyana (the subsidiary) was given a commitment by the Government of Guyana in 2006 to have the corporate tax rate for non-commercial companies of 30 percent made applicable to its operations. Subsequent action by the Guyana Revenue Authority (the GRA) held that the corporate tax rate for commercial companies of 40 percent was applicable. The subsidiary computes its corporation tax liability on the basis of the original commitment received while it contests through court action failure to honour the original commitment. The subsidiary received from the GRA Corporation Tax Assessments for the years 2012, 2013, 2014 and 2016 to 2022 in relation to the tax rate matter. These have been objected to as the subsidiary is of the view that the original commitments should be honoured. The total possible liability arising out of these open tax matters (including the assessed years 2012, 2013 and 2014 as well as the years 2016 to 2022 is \$53,085.

(24) LEASES

The Group leases real estate (property, warehouse and factory facilities) and machinery and equipment (mobile equipment and motor vehicles). Real estate leases have a term of 3 to 20 years and machinery equipment leases have a term of 3 to 5 years. Some leases provide for periodic renegotiation of payments to reflect market rentals. Some leases provide for additional rent payments that are based on changes in local price indices. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

The following balances were included in property, machinery and equipment (note 14)

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(24) LEASES (continued)

		2024			2023		
		Building	Machinery and equipment	Total	Building	Machinery and equipment	Total
Cost at beginning of year	\$	32,071	24,084	56,155	22,411	18,830	41,241
Accumulated depreciation		(11,635)	(9,486)	(21,121)	(8,755)	(7,935)	(16,690)
Net book value at beginning of year		20,436	14,598	35,034	13,656	10,895	24,551
Additions to right-of-use assets included in Capital Expenditures		2,865	8,123	10,988	9,320	4,725	14,045
Depreciation		(3,320)	(836)	(4,156)	(1,793)	(1,551)	(3,344)
Remeasurements and cancellations		(2,094)	(2,038)	(4,132)	(747)	529	(218)
Net book value at end of year	\$	17,887	19,847	37,734	20,436	14,598	35,034
Cost at end of year	\$	32,855	28,567	61,422	32,071	24,084	56,155
Accumulated depreciation		(14,968)	(10,544)	(25,512)	(11,635)	(9,486)	(21,121)
Net book value at end of year	\$	17,887	18,023	35,910	20,436	14,598	35,034

The following balances were included in the consolidated statement of cash flows

		2024	2023
Depreciation	\$	(4,156)	(3,344)
Interest expense on lease liabilities		2,945	1,995
Interest paid		(2,945)	(1,995)
Other financial obligations	\$	(8,673)	(9,074)

The following balances were included in the consolidated income statement

		2024	2023
Lease expense of short-term leases	\$	(23,083)	(22,498)

The table below summarises the maturity profile of the Group's lease liabilities as at December 31, 2024 and 2023. The balance includes future interest over the remaining term to maturity and therefore would differ from the carrying amounts shown in the consolidated statement of financial position.

		2024				2023			
		1 year	2 to 5 years	> 5 years	Total	1 year	2 to 5 years	> 5 years	Total
Total lease payments	\$	6,911	20,631	1,515	29,057	10,659	15,981	8,170	34,810

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(25) RELATED PARTIES

All significant balances and transactions between the entities that constitute the Group have been eliminated in the preparation of the consolidated financial statements. These balances with related parties resulted primarily from: (i) the sale and purchase of goods between group entities; (ii) the invoicing of administrative services and other services rendered between group entities; and (iii) loans between related parties. When market prices and/or market conditions are not readily available, the Group conducts transfer pricing studies in the countries in which it operates to ensure compliance with regulations applicable to transactions between related parties.

The Group has entered into related party transactions with CEMEX S.A.B. de C.V. ("CEMEX"). The following table provides the total amount of transactions and balances at year end that have been entered into with the CEMEX Group for the relevant financial year:

	2024	2023
Sales for the year	\$ 142,411	80,555
Related party services (note 6.2)	2,994	1,994
Purchases for the year	317,780	281,988
Royalties and management fee expenses (note 6.1)	46,177	36,527
Due from related companies (note 10)	16,511	8,735
Due to related companies (note 15)	44,244	34,939
Short-term debt (note 14.1)	—	131,563
Long-term debt (note 14.1)	124,600	—
Interest charges	\$ 12,035	18,623

Outstanding trade receivables and trade payable balances are unsecured and interest free and no provision has been established at year end for these balances. Within the CEMEX group related party credit terms of 30 days are applicable to due to and due from related party balances.

CEMEX S.A.B. de C.V. ("CEMEX") has provided a guarantee to lenders regarding TTD borrowings.

Key management compensation of the Group

	2024	2023
Short-term employment benefits	\$ 36,266	37,657
Termination benefits	2,829	2,766
Pension plan and post-retirement benefits	681	868
Directors' fees	\$ 1,655	863

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

(26) GOODWILL

	2024	2023
Cost	\$ 269,147	269,147
Accumulated impairment	(269,147)	(269,147)
Net book amount	\$ —	—

Goodwill was acquired through business combinations with Caribbean Cement Company Limited and subsidiaries of Readymix (West Indies) Limited. The recoverable amount of business units has been determined using pre-tax cash flow projections approved by the Board of Directors and applying sensitivity analysis to the data.

The recoverable amount of the cash generating units was determined using value in use calculations. The calculation of value in use is most sensitive to assumptions regarding market share, gross margins and discount rates.

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(27) MAIN SUBSIDIARIES

The Group's subsidiaries are as follows:

Subsidiary	Principal activities	% Interest	
		2024	2023
Readymix (West Indies) Limited.....	Concrete batching.....	98.38	98.33
TCL Packaging Limited.....	Packaging production.....	100.00	100.00
TCL Ponsa Manufacturing Limited.....	Packaging production.....	100.00	100.00
TCL Leasing Limited.....	Leasing.....	100.00	100.00
RML Property Development Limited.....	Property development.....	100.00	100.00
Caribbean Cement Company Limited.....	Cement production.....	74.10	74.10
Rockfort Mineral Bath Complex Limited.....	Spa facility.....	74.10	74.10
Arawak Cement Company Limited.....	Cement production.....	100.00	100.00
TCL Trading Limited (non-trading).....	Cement distribution.....	100.00	100.00
TCL (Nevis) Limited.....	Holding company.....	100.00	100.00
TCL Guyana Inc.	Cement distribution.....	100.00	100.00
Arawak Concrete Solutions Limited (non-trading).....	Concrete batching.....	100.00	100.00
TTLI Trading Limited.....	Cement distribution.....	100.00	100.00
TGI Concrete Solutions Inc. (non-trading).....	Concrete batching.....	100.00	100.00
TCL (Grenada) Limited (non-trading).....	Cement distribution.....	100.00	100.00

(28) IMPACT OF MAJOR INTERNATIONAL CONFLICTS

Conflict between Israel and Hamas was rekindled on October 7, 2023. The economic effects of the Israel-Hamas War are still evolving, entities with operations, suppliers, or customers in Israel, Palestinian-occupied territories, and the larger Middle Eastern region could potentially be directly impacted as the conflict continue. Additionally, many entities may be indirectly impacted by the war, especially in the global energy, petrochemical, and capital markets, among other sectors.

The Group has concluded that given the composition of our consolidated statement of financial position, its exposure to the negative impacts of these risks is not significant to its profitability and going concern. However, through its risk management function, the Group continuously assesses the impact of such risks and has an established series of early warning indicators through various risk metrics to ensure that liquidity and capital positions are in place to sufficiently support the operations of the Group. There were no material changes in valuations or impairment positions as at December 31, 2024.

(29) SUBSEQUENT EVENTS

There are no other events occurring after the statement of financial position date and before the date of approval of these financial statements by the Board of Directors that require adjustment in these financial statements.